

**Infratil Limited**  
**Statement of Comprehensive Income**  
**For the 6 months ended 30 September 2017**

	Notes	6 months ended 30 September 2017  Unaudited \$000	6 months ended 30 September 2016  Unaudited \$000	Year Ended 31 March 2017  Audited \$000
Dividends received from subsidiary companies		-	-	60,000
Subvention Income		10,000	-	-
Operating Revenue		13,200	18,702	23,267
<b>Total revenue</b>		<b>23,200</b>	<b>18,702</b>	<b>83,267</b>
Directors' fees		365	331	664
Other operating expenses		13,300	14,283	28,228
<b>Total operating expenditure</b>	4	<b>13,665</b>	<b>14,614</b>	<b>28,892</b>
<b>Operating profit before derivatives, realisations and impairments</b>		<b>9,535</b>	<b>4,088</b>	<b>54,375</b>
Net (loss)/gain on foreign exchange & financial derivatives		1,787	798	6,102
Net investment realisations and (impairments)		-	7	568
<b>Results from operating activities</b>		<b>11,322</b>	<b>4,893</b>	<b>61,045</b>
Financial income		20,553	30,084	56,940
Financial expenses		(35,372)	(35,245)	(69,650)
<b>Net financing expense</b>		<b>(14,819)</b>	<b>(5,161)</b>	<b>(12,710)</b>
<b>Surplus/(loss) before taxation</b>		<b>(3,497)</b>	<b>(268)</b>	<b>48,335</b>
Taxation (expense)/credit	6	3,589	(86)	(2,139)
<b>Net surplus/(loss) for the period</b>		<b>92</b>	<b>(354)</b>	<b>46,196</b>
<b>Other comprehensive income after tax</b>				
Fair value movements in relation to executive share scheme		-	-	43
<b>Other comprehensive income for the period net of income tax</b>		<b>-</b>	<b>-</b>	<b>43</b>
<b>Total comprehensive income for the period</b>		<b>92</b>	<b>(354)</b>	<b>46,239</b>

*The accompanying notes form part of these financial statements.*

**Statement of Changes in Equity**  
**For the 6 months ended 30 September 2017**  
**Unaudited**

6 months ended 30 September 2017

	Capital \$000	Other reserves \$000	Retained earnings \$000	Total \$000
Balance as at 1 April 2017	356,962	576	43,459	400,997
<b>Total comprehensive income for the period</b>				
Net surplus / (loss) for the period	-	-	92	92
<b>Other comprehensive income after tax</b>				
Fair value movements in relation to executive share scheme	-	-	-	-
Total other comprehensive income	-	-	-	-
<b>Total comprehensive income for the period</b>	-	-	92	92
<b>Contributions by and distributions to owners</b>				
Conversion of executive redeemable shares	-	-	-	-
Dividends to equity holders	3	-	(56,005)	(56,005)
Total contributions by and distributions to owners	-	-	(56,005)	(56,005)
	356,962	576	(12,454)	345,083
<b>Balance at 30 September 2017</b>	356,962	576	(12,454)	345,083

**Statement of Changes in Equity**  
**For the period ended 30 September 2016**  
**Unaudited**

Balance as at 1 April 2016	363,433	533	80,160	444,126
<b>Total comprehensive income for the period</b>				
Net surplus / (loss) for the period	-	-	(354)	(354)
<b>Other comprehensive income after tax</b>				
Fair value movements in relation to executive share scheme	-	-	-	-
Total other comprehensive income	-	-	-	-
<b>Total comprehensive income for the period</b>	-	-	(354)	(354)
<b>Contributions by and distributions to owners</b>				
Conversion of executive redeemable shares	-	-	-	-
Dividends to equity holders	3	-	(50,608)	(50,608)
Total contributions by and distributions to owners	-	-	(50,608)	(50,608)
	363,433	533	29,198	393,164
<b>Balance at 30 September 2016</b>	363,433	533	29,198	393,164

**Statement of Changes in Equity**  
**For the year ended 31 March 2017**  
**Audited**


Balance as at 1 April 2016	363,433	533	80,160	444,126
<b>Total comprehensive income for the year</b>				
Net surplus / (loss) for the year	-	-	46,196	46,196
<b>Other comprehensive income after tax</b>				
Fair value movements in relation to executive share scheme	-	43	-	43
Total other comprehensive income	-	43	-	43
<b>Total comprehensive income for the year</b>	-	43	46,196	46,239
<b>Contributions by and distributions to owners</b>				
Share buyback	(7,023)	-	-	(7,023)
Conversion of executive redeemable shares	552	-	-	552
Dividends to equity holders	3	-	(82,897)	(82,897)
Total contributions by and distributions to owners	(6,471)	-	(82,897)	(89,368)
	356,962	576	43,459	400,997
<b>Balance at 31 March 2017</b>	356,962	576	43,459	400,997

The accompanying notes form part of these financial statements.

**Statement of Financial Position**  
**As at 30 September 2017**

	Notes	6 months ended 30 September 2017 Unaudited \$000	6 months ended 30 September 2016 Unaudited \$000	Year Ended 31 March 2017 Audited \$000
Cash and cash equivalents		-	-	-
Prepayments and sundry receivables		1,099	932	764
Income tax receivable		-	521	-
Advances to subsidiary companies	12	986,842	971,117	974,409
<b>Current assets</b>		<b>987,941</b>	<b>972,570</b>	<b>975,173</b>
Deferred tax		24,454	18,606	18,503
Investments	12	585,529	585,529	585,529
<b>Non current assets</b>		<b>609,983</b>	<b>604,135</b>	<b>604,032</b>
<b>Total assets</b>		<b>1,597,924</b>	<b>1,576,705</b>	<b>1,579,205</b>
Bond interest payable		6,589	6,653	6,329
Accounts payable		2,823	2,007	2,665
Accrual and other liabilities		163	171	339
Infrastructure Bonds	7	81,065	66,146	147,177
Loans from group companies	12	153,897	153,897	153,897
<b>Total current liabilities</b>		<b>244,537</b>	<b>228,874</b>	<b>310,407</b>
Infrastructure Bonds	7	762,458	700,217	620,359
Perpetual Infratil Infrastructure bonds	7	230,960	232,473	230,769
Derivative financial instruments	8	14,886	21,977	16,673
<b>Non current liabilities</b>		<b>1,008,304</b>	<b>954,667</b>	<b>867,801</b>
Attributable to shareholders of the Company		345,083	393,164	400,997
<b>Total equity</b>		<b>345,083</b>	<b>393,164</b>	<b>400,997</b>
<b>Total equity and liabilities</b>		<b>1,597,924</b>	<b>1,576,705</b>	<b>1,579,205</b>

Approved on behalf of the Board on 9 November 2017



Director



Director

*The accompanying notes form part of these financial statements.*

**Statement of Cash Flows**  
**For the 6 months ended 30 September 2017**

	Notes	6 months ended 30 September 2017  Unaudited \$000	6 months ended 30 September 2016  Unaudited \$000	Year Ended 31 March 2017  Audited \$000
<b>Cash flows from operating activities</b>				
<i>Cash was provided from:</i>				
Dividends received from subsidiary companies		-	-	60,000
Subvention receipt		10,000	-	-
Interest received		20,553	30,084	56,940
Operating revenue receipts		13,011	18,703	23,289
		43,564	48,787	140,229
<i>Cash was dispersed to:</i>				
Interest paid		(35,112)	(33,786)	(67,826)
Payments to suppliers		(12,718)	(15,840)	(29,015)
Taxation (paid) / refunded		(2,356)	(2,268)	(3,532)
		(50,186)	(51,894)	(100,373)
<b>Net cash flows from operating activities</b>	9	<b>(6,622)</b>	<b>(3,107)</b>	<b>39,856</b>
<b>Cash flows from investing activities</b>				
<i>Cash was provided from:</i>				
Net movement in subsidiary company loan		-	253,887	250,638
		-	253,887	250,638
<i>Cash was dispersed to:</i>				
Acquisition of shares in subsidiary		-	(247,994)	(248,000)
Net movement in subsidiary company loan		(12,433)	-	-
		(12,433)	(247,994)	(248,000)
<b>Net cash flows from investing activities</b>		<b>(12,433)</b>	<b>5,893</b>	<b>2,638</b>
<b>Cash flows from financing activities</b>				
<i>Cash was provided from:</i>				
Proceeds from issue of shares		-	5	548
Issue of bonds		143,413	150,000	150,000
		143,413	150,005	150,548
<i>Cash was dispersed to:</i>				
Repayment of bonds		(66,285)	(100,000)	(100,927)
Infrastructure bond issue expenses		(2,068)	(2,183)	(2,195)
Repurchase of shares		-	-	(7,023)
Dividends paid	3	(56,005)	(50,608)	(82,897)
		(124,358)	(152,791)	(193,042)
<b>Net cash flows from financing activities</b>		<b>19,055</b>	<b>(2,786)</b>	<b>(42,494)</b>
Net cash movement		-	-	-
Cash balances at beginning of period		-	-	-
<b>Cash balances at period end</b>		<b>-</b>	<b>-</b>	<b>-</b>

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

The accompanying notes form part of these financial statements.

## Notes to the Financial Statements

### For the 6 months ended 30 September 2017

#### (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 2017 and should be read in conjunction with the previous annual report. No changes have been made from the accounting policies used in the most recent annual report which can be obtained from Infratil's registered office or [www.infratil.com](http://www.infratil.com). The presentation currency used in the preparation of these financial statements is New Zealand dollars, which is also the Group's functional currency. Comparative figures have been restated where appropriate to ensure consistency with the current period.

##### Basis of preparation

The following new standards, amendments to standards and interpretations are issued but not yet effective and have not been applied in preparation of these financial statements.

*NZ IFRS 9 Financial Instruments*, published in July 2014, replaces the existing guidance in *NZ IAS 39 Financial Instruments: Recognition and Measurement*. *NZ IFRS 9* includes revised guidance on the classification and measurement of financial instruments, a new expected credit loss model for calculating impairment on financial assets, and new general hedge accounting requirements. It also carries forward the guidance on recognition and derecognition of financial instruments from *NZ IAS 39*. *NZ IFRS 9* is effective for annual reporting periods beginning on or after 1 January 2018, with early adoption permitted. The Group has commenced a project to review the impact of *NZ IFRS 9* and will indicate the likely qualitative impact, if any, in its 31 March 2018 financial statements.

*NZ IFRS 15 Revenue from Contracts with Customers*, establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It replaces existing revenue recognition guidance, including *NZ IAS 18 Revenue*, *NZ IAS 11 Construction Contracts* and *IFRIC 13 Customer Loyalty Programmes*. *NZ IFRS 15* is effective for annual reporting periods beginning on or after 1 January 2018, with early adoption permitted. The likely impact of this standard has not yet been fully assessed, however it is not expected to have a material impact on the Company's financial statements.

*NZ IFRS 16 Leases*, 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 likely impact of this standard has not yet been fully assessed, however it is not expected to have a material impact on the Company's financial statements.

#### (2) Nature of business

The Company is the ultimate parent company of the Infratil Group, owning infrastructure & 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 2017 Unaudited	6 months ended 30 September 2016 Unaudited	Year Ended 31 March 2017 Audited
Total issued capital at the beginning of the period	560,053,166	562,325,645	562,325,645
Movements in issued and fully paid ordinary shares during the period:			
Share buyback (held as treasury stock)	-	-	(2,510,000)
Treasury Stock reissued under dividend reinvestment plan	-	-	-
Conversion of executive redeemable shares	-	-	237,521
Total issued capital at the end of the period	560,053,166	562,325,645	560,053,166

All fully paid ordinary shares have equal voting rights and share equally in dividends and equity. At 30 September 2017 the Company held no shares as Treasury Stock (30 September 2016: 4,500,000, 31 March 2017: nil). 7,010,000 shares held as Treasury Stock were cancelled on 29 March 2017.

##### Dividends paid on ordinary shares

Dividends declared and paid by the Company for the period were as follows:

	6 months ended 30 September 2017 Unaudited cps	6 months ended 30 September 2016 Unaudited cps	Year Ended 31 March 2017 Audited cps	6 months ended 30 September 2017 Unaudited \$000	6 months ended 30 September 2016 Unaudited \$000	Year Ended 31 March 2017 Audited \$000
Final dividend prior year	10.00	9.00	9.00	56,005	50,608	50,608
Interim dividend paid	-	-	5.75	-	-	32,289
	10.00	9.00	14.75	56,005	50,608	82,897

**Notes to the Financial Statements**  
**For the 6 months ended 30 September 2017**

**(4) Other operating expenses**

	6 months ended 30 September 2017 Unaudited \$000	6 months ended 30 September 2016 Unaudited \$000	Year Ended 31 March 2017 Audited \$000
Fees paid to the Company auditor	102	95	175
Directors' fees	365	331	664
Administration and other corporate costs	2,865	3,439	7,563
Management fee (to related party Morrison & Co Infrastructure Management) 12	10,333	10,749	20,490
<b>Total other operating expenses</b>	<b>13,665</b>	<b>14,614</b>	<b>28,892</b>

	6 months ended 30 September 2017 Unaudited \$000	6 months ended 30 September 2016 Unaudited \$000	Year Ended 31 March 2017 Audited \$000
<i>Fees paid to the Company auditor</i>			
Audit and review of financial statements	102	95	175
Taxation services	-	-	-
<b>Total fees paid to the Company auditor</b>	<b>102</b>	<b>95</b>	<b>175</b>

The audit fee includes the fees for both the annual audit of the financial statements and the review of the interim financial statements.

**(5) Net investment realisations and (impairments)**

At 30 September 2017 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 2017 (September 2016: nil, March 2017: nil).

**(6) Taxation**

	6 months ended 30 September 2017 Unaudited \$000	6 months ended 30 September 2016 Unaudited \$000	Year Ended 31 March 2017 Audited \$000
(Loss)/surplus before taxation	(3,497)	(268)	48,335
Taxation on the (loss)/surplus for the period @ 28% tax rate	(979)	(75)	13,534
<i>Plus/(less) taxation adjustments:</i>			
Impairment of investments/realisations	-	-	-
Exempt dividends	-	-	(16,800)
Subvention payment	-	-	-
Loss offset to/(from) group company	(2,800)	-	-
Timing differences not recognised	190	-	16
(Under)/over provision in prior periods	-	-	4,755
Other permanent differences	-	161	634
<b>Taxation expense/(credit)</b>	<b>(3,589)</b>	<b>86</b>	<b>2,139</b>
Current taxation	-	-	4,053
Deferred taxation	(3,589)	86	(1,914)
	<b>(3,589)</b>	<b>86</b>	<b>2,139</b>

There was no income tax recognised in other comprehensive income during the period (30 September 2016: nil, 31 March 2017: nil)

**Notes to the Financial Statements**  
**For the 6 months ended 30 September 2017**

**(7) Infrastructure Bonds**

	6 months ended 30 September 2017 Unaudited \$000	6 months ended 30 September 2016 Unaudited \$000	Year Ended 31 March 2017 Audited \$000
Balance at the beginning of the period	998,305	949,771	949,771
Issued during the period	143,413	150,000	150,000
Exchanged during the period	(32,739)	(49,517)	(49,517)
Matured during the period	(33,546)	(50,483)	(50,483)
Purchased by Infratil during the period	-	-	(1,489)
Bond issue costs capitalised during the period	(2,068)	(2,182)	(2,195)
Bond issue costs amortised during the period	1,118	1,247	2,218
<b>Balance at the end of the period</b>	<b>1,074,483</b>	<b>998,836</b>	<b>998,305</b>
Current	81,065	66,146	147,177
Non current fixed coupon	762,458	700,217	620,359
Non current perpetual variable coupon	230,960	232,473	230,769
<b>Balance at the end of the period</b>	<b>1,074,483</b>	<b>998,836</b>	<b>998,305</b>
<i>Repayment terms and interest rates:</i>			
IFT160 Maturing in June 2017, 8.50% per annum fixed coupon rate	-	66,285	66,285
IFT170 Maturing in November 2017, 8.0% per annum fixed coupon rate	81,112	81,112	81,112
IFT180 Maturing in November 2018, 6.85% per annum fixed coupon rate	111,418	111,418	111,418
IFT200 Maturing in November 2019, 6.75% per annum fixed coupon rate	68,500	68,500	68,500
IFT090 Maturing in February 2020, 8.50% per annum fixed coupon rate	80,498	80,498	80,498
IFT220 Maturing in June 2021, 4.90% per annum	93,883	93,883	93,883
IFT190 Maturing in June 2022, 6.85% per annum fixed coupon rate	93,696	93,696	93,696
IFT240 Maturing in December 2022, 5.65% per annum fixed coupon rate	100,000	-	-
IFT210 Maturing in September 2023, 5.25% per annum fixed coupon rate	122,104	122,104	122,104
IFT230 Maturing in June 2024, 5.50% per annum fixed coupon rate	56,117	56,117	56,117
IFT250 Maturing in June 2025, 6.15% per annum fixed coupon rate	43,413	-	-
IFTHA Perpetual Infratil infrastructure bonds	231,917	233,406	231,917
less: Bond issue costs capitalised and amortised over term	(8,173)	(8,183)	(7,225)
<b>Balance at the end of the period</b>	<b>1,074,483</b>	<b>998,836</b>	<b>998,305</b>

**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 redeem those infrastructure bonds at their \$1.00 face value payable in cash, or convert all the infrastructure bonds in the relevant series by issuing the number of shares equivalent to 98% of the face value of the bonds multiplied by the market price of the shares. 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.

**Perpetual Infratil infrastructure bonds ('PIIBs')**

The Company has 231,916,600 (30 September 2016: 233,405,600, 31 March 2017: 231,916,600) 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 2017 the coupon is fixed at 3.63% per annum (September 2016: 4.26%, March 2017: 3.63%). 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 2016: nil, March 2017: 1,489,000) were repurchased by Infratil Limited during the period.

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

At 30 September 2017 the Infrastructure bonds (including PIIBs) had a fair value of \$1,031.4 million (30 September 2016: \$968.9 million, 31 March 2017: \$943.8 million).

**Notes to the Financial Statements**  
**For the 6 months ended 30 September 2017**

**(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 \$14.9 million at 30 September 2017 (30 September 2016: \$22.0 million, 31 March 2017:\$16.7m).

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

	6 months ended 30 September 2017 Unaudited \$000	6 months ended 30 September 2016 Unaudited \$000	Year Ended 31 March 2017 Audited \$000
Net surplus	92	(354)	46,196
<i>Less items classified as investing activity</i>			
Loss/(profit) on investment realisations and impairments	-	(7)	(568)
<i>Add items not involving cash flows</i>			
Movement in financial derivatives taken to the profit or loss	(1,787)	(798)	(6,092)
Other	1,120	1,246	2,217
<i>Movements in working capital</i>			
Change in receivables	(335)	(144)	22
Change in trade payables	159	(2,402)	190
Change in accruals and other liabilities	79	1,379	(706)
Change in taxation and deferred tax	(5,951)	(2,027)	(1,403)
<b>Net cash inflow from operating activities</b>	<b>(6,622)</b>	<b>(3,107)</b>	<b>39,856</b>

**(10) Commitments**

There are no outstanding commitments (30 September 2016: nil, 31 March 2017: nil).

**(11) Contingent liabilities**

The Company and certain wholly owned subsidiaries are guarantors of the bank debt facilities of Infratil Finance Limited under a Deed of Negative Pledge, Guarantee and Subordination and the Company is a guarantor to certain obligations of subsidiary companies. During the period a A\$41.6 million secured bank facility of a non-wholly owned subsidiary has been refinanced with an expiry date of 21 May 2020. This facility, and certain other indebtedness with the financier, has been guaranteed by Infratil Finance Limited and the Company.

The Company has a contingent liability under the international fund management agreement with Morrison & Co International Limited in the event that the Group sells its international assets, or valuation of the assets exceeds the performance thresholds set out in the management agreement.

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.



**Notes to the Financial Statements**  
**For the 6 months ended 30 September 2017**

**(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 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:*

Related Party	Interest income/(expense)			Intercompany (loan)/advance/investment at carrying value		
	6 months ended	6 months ended	Year Ended	6 months ended	6 months ended	Year Ended
	30 September 2017	30 September 2016	31 March 2017	30 September 2017	30 September 2016	31 March 2017
	Unaudited \$000	Unaudited \$000	Audited \$000	Unaudited \$000	Unaudited \$000	Audited \$000
<b>Advances</b>						
Infratil Finance	20,483	30,000	56,852	986,276	970,593	973,844
Aotea Energy Holdings Limited	-	-	-	(153,897)	(153,897)	(153,897)
<b>Investments in</b>						
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	248,002	248,001

The significant investments of the Company and their activities are summarised below:

Subsidiaries	Holding	Holding	Holding	Principal activity	Country of incorporation
	6 months ended 30 September 2017	6 months ended 30 September 2016	Year Ended 31 March 2017		
<b>New Zealand</b>					
Infratil Finance Limited	100%	100%	100%	Finance	New Zealand
Swift Transport Limited	100%	100%	100%	Investment	New Zealand
Infratil Ventures Limited	100%	100%	100%	Investment	New Zealand
Infratil Infrastructure Property Limited	100%	100%	100%	Investment	New Zealand
NZ Airports Limited	100%	100%	100%	Investment	New Zealand
Infratil Energy Limited	100%	100%	100%	Investment	New Zealand
Infratil Investments Limited	100%	100%	100%	Investment	New Zealand
Infratil 1998 Limited	100%	100%	100%	Investment	New Zealand
Infratil Gas Limited	100%	100%	100%	Investment	New Zealand
Infratil RV Limited	100%	100%	100%	Investment	New Zealand
Infratil No 1 Limited	100%	100%	100%	Investment	New Zealand
Infratil Outdoor Media Limited	100%	100%	100%	Investment	New Zealand
Infratil No 5 Limited	100%	100%	100%	Investment	New Zealand
Infratil Australia Limited	100%	100%	100%	Investment	New Zealand
Infratil PPP Limited	100%	100%	100%	Investment	New Zealand
Infratil Ventures II Limited	100%	100%	100%	Investment	New Zealand
Infratil 2016 Limited	100%	100%	100%	Investment	New Zealand
Infratil Renewables Limited	100%	100%	100%	Investment	New Zealand

**(13) Segment analysis**

During the year, the Company operated in predominantly one business segment, that of investments.

*Geographical segments*

The Company operated in one geographical area, that of New Zealand. Certain subsidiaries of the Company invest in Australia and the United States.

**(14) Events after balance date**

**Dividend**

On 9 November 2017, the Directors approved a fully imputed interim dividend of 6.00 cents per share to holders of fully paid ordinary shares to be paid on 15 December 2017.

**Notes to the Financial Statements**  
**For the 6 months ended 30 September 2017**

**Directory**

***Directors***

Mark Tume (Chairman)  
Marko Bogoievski  
Alison Gerry  
Paul Gough  
Humphry Rolleston  
Peter Springford

***Company Secretary***

Nick Lough

***Registered Office - New Zealand***

5 Market Lane  
PO Box 320  
Wellington  
Telephone: +64 4 473 3663  
Internet address: [www.infratil.com](http://www.infratil.com)

***Manager***

Morrison & Co Infrastructure Management  
5 Market Lane  
PO Box 1395  
Wellington  
Telephone: +64 4 473 2399  
Facsimile: +64 4 473 2388  
Internet address: [www.hrlmorrison.com](http://www.hrlmorrison.com)

***Share Registrar - New Zealand***

Link Market Services  
Level 7, Zurich House  
21 Queen Street  
PO Box 91976  
Auckland  
Telephone: +64 9 375 5998  
E-mail: [enquiries@linkmarketservices.co.nz](mailto:enquiries@linkmarketservices.co.nz)  
Internet address: [www.linkmarketservices.co.nz](http://www.linkmarketservices.co.nz)

***Auditor***

KPMG  
Maritime Tower  
10 Customhouse Quay  
PO Box 996  
Wellington

***Bankers***

Bank of New Zealand  
Level 4  
80 Queen Street  
Auckland

***Registered Office - Australia***

C/- H.R.L. Morrison & Co Private Markets  
Level 37  
Governor Phillip Tower  
1 Farrer Place  
Sydney  
NSW, 2000  
Telephone: +64 4 473 3663

***Share Registrar - Australia***

Link Market Services  
Level 12  
680 George Street  
Sydney  
NSW 2000  
Telephone: +61 2 8280 7100  
E-mail: [registrars@linkmarketservices.com.au](mailto:registrars@linkmarketservices.com.au)  
Internet address: [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au)



# 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 2017 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 2017;
- 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, Infratil Limited.



### 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 Review Report.

KPMG  
Wellington

9 November 2017