

INFRATIL RESULTS

FOR THE SIX MONTH PERIOD ENDED 30 SEPTEMBER 2008



This breakdown of Infratil's results, assets, liabilities and the performance of key investments is provided to be read in conjunction with Infratil's half year un-audited financial statements.

CONSOLIDATED RESULTS

\$millions	Six months ended 30 September 2008	Six months ended 30 September 2007	Year end 31 March 2008
EBITDAF	203.0	165.7	315.9
Net interest	(87.4)	(68.9)	(148.8)
Depreciation & amortisation	(48.6)	(37.7)	(79.3)
Operating surplus	67.0	59.1	87.8
Revaluation of financial derivatives	7.0	20.4	2.9
Realisations, impairments and revaluations	(4.2)	(4.3)	(15.4)
Net surplus before tax	69.8	75.2	75.3
Tax	(23.6)	(27.1)	(22.6)
Net surplus after tax	46.2	48.1	52.7
Minorities	(38.9)	(33.6)	(54.4)
Net surplus attributable to parent entity	7.3	14.5	(1.7)
Net cashflows from operating activities	42.3	21.2	167.7
Group dividends paid	(48.9)	(43.9)	(79.5)

- i. **EBITDAF** - earnings before interest, tax, depreciation, amortisation, realisations and impairments, and fair value movements of financial instruments.
- ii. **Depreciation** - increased due to growth in fixed and intangible assets.
- iii. **Derivatives** - Movement in the value of energy financial derivatives arise substantially from changes to the valuation of the electricity-price hedges of Infratil Energy Australia's retail operations. NZIFRS requires non matching hedges to be taken through the Profit and Loss Account. Derivatives also include a gain of \$16.1 million (2007 \$1.6 million loss) for S&P option contracts and \$3.4 million for currency positions.
- iv. **Realisations and impairments** - \$4.2 million for Austral Pacific Energy (2007 Energy One \$4.3 million).
- v. **Net interest expense** - interest income of \$5.7 million and interest costs of \$93.1 million, which comprised \$58.9 million for Infratil and wholly owned subsidiaries, \$9.4 million for Wellington Airport, and \$24.8 million for TrustPower.

RESULTS ANALYSIS

Infratil Group	Infratil			WIAL (66%)			TPW (50.5%)			Elims			Total		
	HY09	HY08	FY08	HY09	HY08	FY08	HY09	HY08	FY08	HY09	HY08	FY08	HY09	HY08	FY08
EBITDAF	81.3	62.8	112.8	32.2	27.7	60.0	136.7	116.2	208.0	(47.2)	(41.0)	(64.9)	203.0	165.7	315.9
Depreciation & amortisation	(20.8)	(16.0)	(33.3)	(7.0)	(6.7)	(13.6)	(20.8)	(15.0)	(32.4)				(48.6)	(37.7)	(79.3)
EBIT	60.5	46.8	79.5	25.2	21.0	46.4	115.9	101.2	175.6	(47.2)	(41.0)	(64.9)	154.4	128.0	236.6
Net interest	(53.4)	(41.6)	(92.4)	(9.2)	(7.8)	(16.6)	(24.8)	(19.5)	(39.8)				(87.4)	(68.9)	(148.8)
Realisations & impairments	(4.2)	(4.3)	(16.0)	-	-	0.6	-	-	-				(4.2)	(4.3)	(15.4)
Financial derivatives - energy	(10.4)	20.6	(10.4)	-	-	-	(2.1)	1.4	1.0				(12.5)	22.0	(9.4)
Financial derivatives - S&P/FX	19.5	(1.6)	12.3	-	-	-	-	-	-				19.5	(1.6)	12.3
Tax	1.3	(5.0)	23.3	(2.7)	(3.2)	(7.3)	(22.2)	(18.9)	(38.6)				(23.6)	(27.1)	(22.6)
Minority interests	(1.7)	0.8	1.3	(4.1)	(2.6)	(7.1)	(33.1)	(31.8)	(48.6)				(38.9)	(33.6)	(54.4)
Net surplus	11.6	15.7	(2.4)	9.2	7.4	16.0	33.7	32.4	49.6	(47.2)	(41.0)	(64.9)	7.3	14.5	(1.7)

- i. Includes Lubeck Airport which is 90% owned by Infratil and Perth Energy 75.5% owned by Infratil.
- ii. Costs include management fees of \$10.1 million (2007 \$11.0 million). Infratil gains tax benefits from grouping its tax losses with subsidiaries' taxable profits.

Infratil	IFT parent			NZ Bus			Infratil Australia			Infratil Airports Europe		
	HY09	HY08	FY08	HY09	HY08	FY08	HY09	HY08	FY08	HY09	HY08	FY08
EBITDAF	41.4	34.3	57.6	17.8	20.8	41.9	28.1	7.8	12.0	(6.0)	-	1.2

INFRATIL INVESTMENTS

\$'000	Six months ended 30 September 2008	Year end 31 March 2008
TrustPower	1,249,841	1,194,115
Infratil Energy Australia (IEA)	249,538	180,044
Energy Developments	135,464	110,254
Wellington Airport (WA)	238,439	247,095
Infratil Airports Europe (IAE)	307,564	287,765
NZ Bus	223,894	202,816
Infratil Infrastructure Property	62,847	62,817
Auckland International Airport	92,472	90,165
S&P put contracts	55,530	39,477
Austral Pacific Energy	846	5,077
Other investments	8,009	6,189

- i. Listed assets at market value, other investments at net asset/investment book values (excluding deferred tax and cash balances (for wholly owned subsidiaries)). For 30 September 2008 exchange rates of NZ\$/A\$ 0.8441 (March 08 0.8593) and NZ\$/UK£ 0.3759 (March 07 0.3959) are used.
- ii. S&P put contracts were closed out in October 2008 for \$72.4 million, being a further gain of \$16.9 million since 30 September 2008.

CAPITAL/FUNDING (INFRATIL AND WHOLLY OWNED SUBSIDIARIES)

\$'000	Six months ended	Six months ended	Year end 31
Net bank debt(i)	318,045	220,500	257,408
Redeemable Preference Shares (ii)	140,000	140,000	140,000
Bonds maturing 2010-2011	132,768	132,768	132,768
Bonds maturing 2012-2013	142,672	142,672	142,672
Bonds maturing 2014-2020	233,333	233,333	233,332
Perpetual Bonds	240,000	240,000	240,000
	1,206,818	1,109,273	1,146,180

- i. As at 30 September 2008 Infratil debt funding comprised \$749 million of Bonds and \$572 million of bank facilities drawn to \$414.1 million (excluding those utilised for guarantees).
- ii. A wholly owned subsidiary has \$140 million of non recourse redeemable preference shares maturing in 2011.

INFRATIL MATURITY PROFILE

30 Sept 2008	Total	0-1 year	1-2 years	2-3 years
Bank Debt	414	68	172	174
Cash on deposit	96	68	28	-
Net Bank Debt	318	-	144	174
Total Bank Facilities	572	226	172	174
RPS - fully drawn	140	-	-	140

SHARES ON ISSUE & NET TANGIBLE ASSETS

	Six months ended 30 September 2008	Six months ended 30 September 2007	Year end 31 March 2008
Ordinary Shares on issue (i)	525,477,722	440,047,231	442,898,875
Partly paid shares on issue	-	-	88,008,061
IFTWB Warrants on issue (ii)	85,010,783	89,200,032	85,936,587
IFTWC Warrants on issue (ii)	52,825,848	52,923,380	52,826,848
NTA per share	\$0.9	\$1.1	\$1.0
Share price (NZX)	\$2.01	\$2.96	\$2.13

- i. Excludes effect of shares acquired during the period of 6,865,627 (2007 nil) which are currently held as treasury stock.
- ii. Warrants exercised during the period of 926,804 (2007 477,471).
Warrants comprise:
85,010,783 IFTWBs (2007 89,200,032) - expire on 10 July 2009 and have an exercise price of \$1.62.
52,825,848 IFTWCs (2007 52,923,380) - expire on 29 June 2012 and have an exercise price of \$4.12.
- iii. The net tangible asset (NTA) per share calculations are based on the net tangible asset values less total liabilities and minority interests as disclosed in the financial statements.
- iv. During the period partly paid ordinary shares were converted into fully paid ordinary shares. This was completed on 19 September 2008, with the second instalment of the \$1.00 paid. Prior to conversion the instalment shares entitled holders to half the dividend and voting rights of fully paid up shares.

TRUSTPOWER

	Sep-08	Sep-07	Mar-08
Electricity customer numbers ('000's)	219	220	222
Telecommunications customers ('000's)	29	15	26
Customer sales (GWh)	2,254	2,361	4,540
Weighted ave. spot price of electricity purchased (\$/MWh)	184	63	73
Hydro generation production (GWh)	907	833	1,472
Wind generation production (GWh)	254	273	546
Australian wind production GWh	79	-	-
Weighted ave. spot price of electricity generated (\$/MWh)	170	62	68
EBITDAF	\$136.7m	\$116.2m	\$208.0m
NPAT	\$66.8m	\$64.3m	\$98.1m

INFRATIL ENERGY AUSTRALIA GROUP

A\$	Sep-08	Sep-07	Mar-08
Generation MW	96	70	70
Billed customers	372,566	235,540	286,139
Revenue - Generation	\$3.5m	\$5.1m	\$12.1m
Revenue - Retail	\$226.0m	\$123.5m	\$230.0m
EBITDAF	\$22.9m	\$7.0m	\$10.6m
Net interest	(\$2.4m)	(\$0.2m)	(\$1.9m)
Depreciation & amortisation	(\$4.7m)	(\$2.4m)	(\$5.6m)
Tax	(\$1.1m)	(\$7.5m)	(\$2.0m)
Financial derivatives	(\$8.4m)	\$18.1m	(\$7.5m)
Minority interests	(\$1.9m)	\$0.3m	\$0.9m

I. Customer acquisition costs capitalised in the period were A\$5.3m (Sept 07 A\$2.3m; March 08 A\$7.3m) and costs amortised were A\$3.7m (Sept 07 A\$1.6m; March 08 A\$4.0m)

WELLINGTON AIRPORT

	Sep-08	Sep-07	Mar-08
Passengers	2,651,906	2,330,713	5,021,725
Aero income	\$27.9m	\$22.8m	\$48.9m
Passenger services income	\$11.7m	\$10.4m	\$21.8m
Property & other income	\$4.1m	\$3.6m	\$7.5m
Operating costs	\$11.5m	\$9.2m	\$18.2m
EBITDAF	\$32.2m	\$27.7m	\$60.0m

INFRATIL AIRPORTS EUROPE

UK£	Sep-08	Sep-07	Mar-08
Total passengers	1,672,249	1,715,427	3,003,874
Total freight (tonnes)	20,376	25,101	64,359
Aero income	£10.7m	£11.2m	£22.4m
Non aero pax income	£4.7m	£4.1m	£8.4m
Property & other income	£2.2m	£1.5m	£6.3m
Operating cost	£19.9m	£18.0m	£36.6m
EBITDAF	(£2.3m)	(£0.0m)	£0.5m
Net interest	(£1.2m)	(£0.9m)	(£1.7m)
Depreciation & amortisation	(£2.7m)	(£2.3m)	(£5.1m)
Tax	£0.1m	£0.7m	£3.6m
Revaluations/ realisations	-	-	(£1.4m)
Minority interests	£0.2m	£0.2m	£0.4m

- i For IAE a NZ\$/UK£ exchange rate of 0.3852 was used (2007 0.3706). Lübeck City owns 10% of Lübeck Airport.

NZBus

	Sep-08	Sep-07	Mar-08
Passengers	30.6m	28.8	56.3m
Fare income	\$58.6m	\$55.8m	\$112.7m
Contract income	\$43.0m	\$38.6m	\$83.4m
Capital spend	\$20.5m	\$11.0m	\$44.1m
EBITDAF	\$17.8m	\$20.8m	\$41.9m
Net interest	(\$4.1m)	(\$1.9m)	(\$2.7m)
Depreciation & amortisation	(\$7.4m)	(\$6.8m)	(\$13.7m)
Tax	(\$3.4m)	(\$6.7m)	(\$3.0m)
Financial derivatives	-	-	(\$1.8m)
Revaluations & impairments	-	-	(\$1.7m)