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Infratil exceeds guidance with strong FY2024 result and outlines substantial investment for future growth

Infratil today announced a strong result for the year ended 31 March 2024, with Proportionate EBITDAF exceeding guidance. Alongside the result Infratil has provided an update on the significant investment in growth underway across the portfolio and accelerating into the next financial year.

Infratil CEO Jason Boyes said, “we are pleased to report that as we celebrate 30-years of Infratil we continued to build on our legacy of success, delivering a strong financial result and making significant strides in growing our portfolio. While we celebrate these achievements, we recognise that our approach is designed for sustainable, long-term growth, not overnight success, and therefore this year’s result is the culmination of many years work.”

Proportionate EBITDAF was \$864.1 million – a 63% increase on the \$531.5 million from the same period the previous year. “While a substantial portion of this increase can be attributed to the higher ownership stake in One NZ since June 2023, even after adjusting for this change, growth stood at an impressive 15.5%. This earnings expansion underscores the strong performance across the portfolio’s operational businesses,” Mr. Boyes said.

The net parent surplus from continuing operations was \$854.0 million, up from \$643.1 million in the prior year. The result included a \$1,075 million revaluation of Infratil’s initial 49.95% stake in One NZ, following the acquisition of a further 49.95% stake in June this year.

Mr. Boyes said earnings growth in all our key operating businesses was accompanied by significant progress in a number of key areas.

“CDC reinforced its position as a leading owner, operator, and developer of highly secure, sovereign, and connected large-scale data centres in Australia and New Zealand. Responding to a surge in demand for data centre capacity, CDC delivered a record 200MW¹ in new contracted capacity, the largest ever addition in 12 months, while also achieving over 25% earnings growth.”

“With eight data centres under construction across Sydney, Canberra, Melbourne, and Auckland, accelerating development activity is a major priority. The transformative shift in customer demand has expanded CDC’s development pipeline by over 400MW in FY2024, a significant increase from a year ago,” Mr. Boyes said.

One NZ’s normalised EBITDAF of NZ\$600 million was a 13.7% increase from the prior year and at the mid-point of guidance, reflected a strong performance despite challenging economic conditions. Growth was driven through Consumer Mobile and Wholesale, alongside careful cost management. The Enterprise side of the business has been challenging with downward pressure on connections and revenue, as both public and private sector Enterprise customers downsize and look for cost savings in the current economic environment.

“Pleasingly, one year after its launch, the One NZ brand continues to be well-received, with key metrics surpassing those of the former Vodafone New Zealand brand. Metrics such as

¹ Including reservations and rights of first refusal



brand awareness and non-customer consideration are tracking ahead of expectations, indicating strong public reception and confidence in the rebranding strategy,” Mr. Boyes said.

Longroad Energy delivered EBITDAF of US\$56 million, up US\$24 million from the prior period, supported by 209MW² of projects commencing operations and the completion of restoration works at Prospero 1 and 2 in Texas.

Longroad also reached financial close and began construction on two of its largest projects: Sun Streams 4, a 377MW solar and 300MW/1200MWh battery storage project, and Serrano, a 220MW solar and 214MW/855MWh battery storage project, both in Arizona.

Mr Boyes highlighted that “these projects will power over 180,000 North American homes, with their output purchased by Arizona Public Service via 20-year power purchase agreements, helping to support system reliability during Arizona’s hot summer months. To illustrate the scale of just one of these projects, the Sun Streams 4 project will house almost 800,000 solar panels covering over 3,100 acres.”

Gurīn Energy received conditional approval to import 300MW of non-intermittent, low-carbon power into Singapore, one of five approvals by the Indonesian and Singapore governments to establish a green electricity trading corridor. The Vanda project, planned on the Riau Islands, will feature 2,000MW of solar photovoltaic capacity and 4,400MWh of battery storage, making it one of the world's largest planned projects.

In the Philippines, construction is underway on Gurīn’s 76MW Palauig Solar Power Plant in Zambales Province. This 80-hectare solar farm will deploy up to 136,000 energy-efficient solar panels and will be Gurīn’s first project to reach commercial operations. A second 38MW project in the Philippines reached its final investment decision in April 2024 and is expected to begin construction shortly.

Galileo has successfully sold its first projects, including a pipeline of 800MW of projects from a joint venture in Northern Europe and 140MW of projects in Italy from its own pipeline. Separately, Galileo has signed an agreement to sell its shareholding in Enviria, a leading solar PV rooftop business in the industrial and commercial market in Germany. All three transactions were undertaken with major international investors active in the energy transition sector.

Manawa Energy’s financial results released reflect a year of solid performance. Total generation of 1,901GWh was broadly consistent with the previous year's 1,917GWh, despite a larger planned outage programme. EBITDAF from continuing operations stood at \$145 million, up from \$137 million in the prior year. These results demonstrate an impressive ability to maintain operational efficiency and reliability while supporting a robust asset investment programme.

The Healthcare sector, a relatively new area for Infratil, is growing within the portfolio. RHCNZ Medical Imaging in New Zealand delivered a strong financial result with scan volumes up 3.7% to over 1 million and revenue up 10.4% to \$340.6 million.

“One of RHCNZ’s key strategic priorities is to be the first choice for referrers and patients in New Zealand, while enhancing medical imaging access to all New Zealanders. RHCNZ’s commitment to this strategy was enhanced during the year as a result of ongoing geographic

² Excludes 307MW from repowering Milford 1 & 2



expansion - with new clinics opening in Papamoa and Whangarei, and with expansions to existing services in Invercargill and Paraparaumu,” Mr. Boyes said.

Our Australian diagnostic imaging business, Qscan, showed solid improvement in both financial and operational performance driven by operational efficiencies, new technological initiatives, and alongside a recovery in the radiology market. 2024 saw the opening of three greenfield sites in Maroochydore, Newstead and Tweed as well as multiple brownfield expansions.

RetireAustralia had a record year with 408 resale settlements generating cash flows of A\$78 million combined with 146 new unit settlements, with first sale proceeds of A\$124 million. Strong demand is being experienced across the portfolio with waitlists in place for 24 of 29 villages and occupancy remaining high at over 96%, compared to the industry benchmark of 89%.

Over the year Wellington Airport hosted 5.5 million passengers, nearly 200,000 more than the previous year. This rebound reflects a broader trend of renewed interest in travel and a signal that the aviation industry is steadily moving beyond the disruptions caused by the Covid-19 pandemic. This momentum has also translated into a significant increase in earnings, with EBITDAF reaching \$107 million, a 19.5% increase from the previous year.

Committed to integrating sustainability

Infratil was proud to be the first financial institution in New Zealand to achieve SBTi (Science Based Targets initiative) validation for our climate targets. This achievement signifies our credible commitment to climate action.

During the year, we published our inaugural sustainability report, a comprehensive document outlining our refreshed sustainability strategy, key environmental, social, and corporate governance issues, emissions footprint, and illustrative case studies from our portfolio. Additionally, we released our inaugural Climate-Related Disclosures ('CRD'), aligning these voluntary disclosures as closely as possible with the mandatory Aotearoa New Zealand Climate Standards.

Looking ahead, Infratil will publish its FY2024 climate-related disclosures by 31 July, in compliance with the mandatory Aotearoa New Zealand Climate Standards, along with our 2024 Sustainability Report.

Mr. Boyes highlighted that beyond our reporting, the sector diversity of our portfolio contributes positively to various aspects of sustainability, from producing renewable energy generation to the provision of healthcare services and the facilitation of connectivity.

Capital deployment

During the year direct investment by Infratil in its portfolio companies totalled \$2,225 million, primarily driven by the significant investment in One NZ.

The agreement with Brookfield in June to acquire their 49.95% stake in One NZ was a major highlight, culminating a six-year journey that began before our initial investment in May 2019.



Increasing our ownership in One NZ enhances our flexibility and focus on long-term value creation.

To support this acquisition, we completed our largest equity raise, securing \$935 million at \$9.20 per share. Since the raise, Infratil's shares have performed strongly, closing at \$11.25 yesterday.

As Infratil's digital infrastructure platform grows globally we have also increased our stake in UK data centre platform, Kao Data, to a majority holding of 53%. This streamlined ownership will better support Kao Data's continued growth.

"Beyond its existing operational sites, Kao Data is targeting further expansion with the announcement of a new data centre campus in Manchester. Kao Data was recently granted planning permission for the £350 million facility which when complete will create a leading infrastructure hub to support Greater Manchester's fast-growing and diverse technology ecosystem," Mr. Boyes said.

In addition to the \$2.2 billion of direct investment, Infratil's share of the capital expenditure undertaken by its portfolio companies was \$1.7 billion. Strong thematic tailwinds continue to provide valuable opportunities for growth across the portfolio, which has seen significant growth capex across all key sectors – Digital, Renewables, Healthcare and Airports.

Shareholder returns, final dividend and dividend reinvestment plan

"In terms of our returns to shareholders, we will pay a partially imputed final dividend of 13.0 cents per share, to go with the 7.0 cents per share interim dividend, a 4% increase from the prior year. Infratil's share price also rose from \$9.20 to \$10.89 during the year to 31 March, with an after-tax return to shareholders over the year of 21.7%, and a return over the last ten years of 22.0% per annum," Mr Boyes said.

The dividend reinvestment plan ('DRP') will operate for the final dividend, with a 2% discount applied to the DRP strike price. A copy of the DRP Offer Document is attached.

The timetable for the DRP is:

Event	Date
FY2024 Full Year Results release	Today
Ex-Date for Dividend	5 June
Record Date	6 June
Last Date to submit a participation notice	7 June
Start date for determining market price for DRP	10 June
End date for determining market price for DRP	21 June
Strike Date	24 June
Share Issue Date/Dividend Payment Date	25 June
Allotment announcement	25 June

In addition to this, Infratil has elected to pay \$50.0 million of the third tranche of the FY2022



Annual Incentive Fee by way of issue of shares on 28 May 2024. In accordance with the Management Agreement, the share issue price will be set at 98 per cent of the weighted average sale price of all trades of Infratil's ordinary shares on the NZX on the 5 business days immediately prior to the issue date of 28 May 2024.

Outlook

"Infratil's current portfolio is heavily weighted towards high-growth digital infrastructure and renewable energy businesses, with a specific focus on developing these critical assets. Over 80% of our portfolio is invested in these two sectors, which are central to understanding our outlook," Mr Boyes said.

"These platforms represent two of the most sought-after asset classes, converging to address the growing demand for AI and data centres with the essential need for sustainable energy solutions. As AI development accelerates, the need for robust, scalable data centres powered by renewable energy becomes increasingly critical. This combination not only enhances operational efficiency and sustainability but also underscores our commitment to meeting the evolving demands of this global market."

"To date, few if any listed investment entities are exposed to both asset classes quite the way that Infratil is today."

Mr Boyes highlighted that Infratil retains significant liquidity to support further internal and external investment opportunities with \$820 million of available capacity to fund growth, including significant undrawn corporate facilities. At 31 March, gearing was 20.0%, up from 9.8% at the prior year.

"As we navigate a period where we are likely to see continued macroeconomic uncertainty, we remain excited about the investment opportunities within our existing portfolio – which has long been a feature of Infratil's investment approach. These opportunities are expected to surpass our available capital, enabling us to focus on the highest value investments for our shareholders."

"As we celebrate 30 years of Infratil it is also timely to thank our shareholders, who in many cases have been with us for 30 years. Your support, trust, and commitment have been instrumental in our success. It is because of you that we've been able to continue to invest for the long-term with confidence. On behalf of the entire Infratil team, thank you for being with us on this journey. We look forward to a bright future together."

FY2025 Guidance

FY2025 Proportionate Operational EBITDAF guidance has been set at \$980 million to \$1,030 million, reflecting the momentum that has been building across the portfolio. This is up 11% at the midpoint on a strong FY2024 result.

Separately, for FY2025 we have separated out the guidance component for our early-stage renewables development platforms (Gurīn Energy, Galileo, Mint Renewables), which are forecasting EBITDAF spend of \$80 million to 90 million as they invest in growth over the year.



FY2025 Proportionate capital expenditure guidance has been set at \$2.7 billion to \$3.1 billion, up 70% at the midpoint on significant FY2024 investment. This includes Infratil's share of the capital expenditure of its portfolio companies.

Investor Briefing

There will be a briefing for institutional investors, analysts and media commencing at 10.00am. A webcast of the presentation will be available live on the below link.

<https://edge.media-server.com/mmc/p/s5ph9mw4>

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About Infratil:

Launched in 1994, Infratil Limited is a New Zealand headquartered, global infrastructure investment company ([NZX: IFT](#), [ASX: IFT](#)). Infratil's purpose is to invest wisely in ideas that matter and, in doing so, create long-term value for shareholders. It invests in renewables, digital infrastructure, healthcare and airports, with operations in New Zealand, Australia, Europe, Asia and the United States. With group assets currently in excess of NZ\$14 billion, Infratil targets returns to shareholders of 11-15% p.a. over the long-term.

For more information, visit www.infratil.com and [LinkedIn](#).