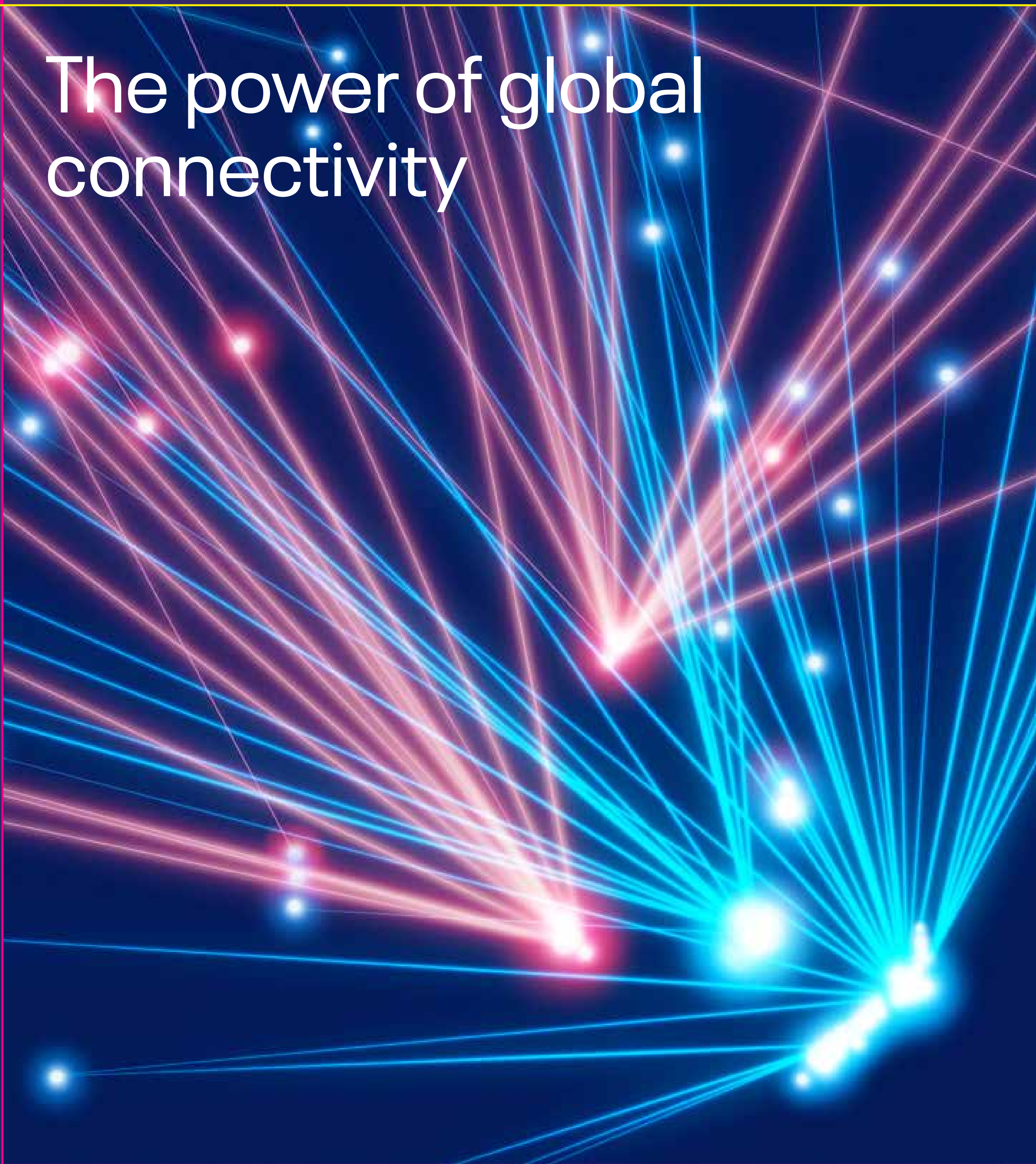
Infratil

The power of global connectivity



Interim Report 2023/24

Portfolio Overview

Infratil

Renewables

- Manawa Energy
  51% Infratil
  27% TECT / 22% Public
- longroad ENERGY
  37.1% Infratil / 37.1% NZ Super
  13.8% Management / 12% MEAG
- GALILEO
  40% Infratil
  20% CSC / 20% NZ Super / 20% MGIF
- gurīn ENERGY
  95% Infratil
  5% Management
- Mint
  73% Infratil
  27% CSC

Digital

- CDC
  48% Infratil / 24% CSC
  24% Future Fund / 4% Management
- one.nz
  99.9% Infratil
  0.1% Management
- KAO DATA
  53% Infratil
  32% Legal & General / 15% Goldacre
- Fortysouth
  20% Infratil
  40% InfraRed / 40% Northleaf
- CLEARVISION VENTURES
- consoleconnect
  Approval pending

Healthcare

- Qscan GROUP
  55.1% Infratil
  33.1% Doctors / 13.8% MGIF
- **50.1% Infratil**
  49.9% Doctors
- retire australia
  50% Infratil
  50% NZ Super

Airports

- Wellington Airport
  66% Infratil
  34% Wellington City Council

Half Year Snapshot

In June we announced that we had reached an agreement to acquire an additional 49.95% stake in One NZ for $1.8 billion, increasing our ownership from 49.95% to 99.9%.

Alongside the 49.95% acquisition of One NZ, we completed the largest equity raise in our history, raising $935 million at $9.20 per share.

In July we announced a conditional agreement with HKT, a leading telecommunications company in Hong Kong, to establish a strategic partnership to accelerate the growth of global connectivity platform, Console Connect.

We increased our stake in UK data centre platform, Kao Data from 40% to 53%. The new shareholding structure provides streamlined ownership and will help accelerate Kao Data's growth.

Our first Sustainability Report was released in August, focusing on the four pillars that reflect the most material ESG issues for Infratil and our stakeholders - Governance, Leadership, Climate & Nature, and People.

We became the first financial institution in New Zealand to have our science-based emissions reduction targets validated by the Science Based Targets initiative under its Financial Institutions framework.

Longroad Energy announced financial close and start of construction on its largest ever solar and storage project to date, the 677MW Sun Streams 4 project in Arizona.

Gurīn Energy has been awarded one of five conditional approvals to help establish a green electricity trading corridor between Indonesia and Singapore. The project plans to deliver 300MW of non-intermittent renewable energy to the Singapore market commencing in 2027.

Galileo successfully sold its first set of projects in Ireland, totalling 0.8GW, with on-going sale processes for two pipelines of solar projects.

CDC has embarked on an accelerated development plan, with 265MW of data centre facilities currently under construction, bringing forward development across multiple locations, including Canberra, Sydney, Melbourne, and Auckland.

Half Year Financial Highlights

Net parent surplus

$1,174.9
million

Proportionate EBITDAF[1]

$400.0
million

Proportionate capital expenditure[2]

$2,705.9
million

Net debt[3]

$2,082.8
million

Share price

$10.21

Market capitalisation

$8.5
billion

Cash dividend declared

7.00 cps
1.15 cps imputation

6 month shareholder return[4]

14.1%
per annum

1. EBITDAF is an unaudited non-GAAP measure of net earnings before interest, tax, depreciation, amortisation, financial derivative movements, revaluations, and non-operating gains or losses on the sales of investments and assets. 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. Proportionate EBITDAF shows Infratil's operating costs and its share of the EBITDAF of the companies it has invested in. It excludes discontinued operations, acquisition or sale-related transaction costs and management incentive fees. A reconciliation of net profit after tax to Proportionate EBITDAF is provided in the 30 September 2023 Results Presentation.
2. Investment and capital spending by Infratil, and Infratil's share of investee company capital spending.
3. Infratil Corporate net debt.
4. Shareholder returns are 6-month returns assuming that dividends are reinvested on the date of payment.

Half Year Review

Joint Letter from the Chair and Chief Executive

Over the past six months, we have made a number of important investments across our portfolio, each carefully considered and driven by our core goal of generating value for our shareholders by investing in ideas that matter.

At Infratil, our investment philosophy is founded on identifying a broad spectrum of opportunities, both in our existing portfolio and externally, and then allocating capital to these options in a manner that optimises outcomes for you, our shareholders. This includes investing in a diversified portfolio of assets to deliver a blended return, while also understanding the level of risk associated with delivering those returns.

Our goal is to achieve shareholder returns of 11–15% per annum after tax on a rolling 10-year basis, through a mix of share price appreciation and dividend returns. Over the first half of FY2024, Infratil has delivered a total shareholder return of 14.1%, while the NZX50 was down 6.6% over the period. For the 12 months to 30 September 2023, Infratil's total shareholder return was 22.3%.

On a 10-year basis, which is consistent with the period for which Infratil sets its target return, Infratil's total shareholder return was 20.7% per annum, compared to the NZX50 which delivered a return of 9.1% over the same period.

Over the past six months we have paid the dividend declared at our FY2023 annual results announcement of 12.5 cents per share ('cps') with 4.9 cps of imputation credits, and with this report we are pleased to declare an interim dividend for FY2024 of 7.00 cps cash and 1.15 cps of imputation credits, a 3.7% increase on the prior year.

Navigating an evolving investment environment

Infratil's shareholder returns give us continuing confidence in the investments in our target sectors – digital infrastructure, renewable energy, and advanced healthcare – despite widespread economic uncertainty. The global investment landscape continues to evolve in the wake of the pandemic. Geopolitical tensions and persistent inflation are some of the key drivers creating macro-economic headwinds. While headline inflation decreased recently, core inflation has proven to be more resistant, further prompting central banks to enact a series of interest rate hikes. Listed markets have witnessed corrections, with both the NZX and ASX experiencing declines during the period.

We are also seeing second-order impacts from the covid pandemic with a surge in travel, accelerated automation and changes in work patterns, all testament to the adaptability and resilience of economies in the face of adversity. The emergence of generative-AI, particularly within our digital infrastructure portfolio, stands out as another defining theme in the current investment landscape. At the same time, the global push to combat climate change and decarbonise the global economy has seen policy mechanisms designed to hasten the transition as governments around the world grapple with meeting their own net-zero commitments. These prevailing tailwinds are fuelling the demand for growth capital across both our digital and renewables businesses.

In the data centre domain, the exponential growth in demand has led to significant capital opportunities. However, a shortage of capital for many players in these sectors underscores the significance of Infratil's approach of maintaining a strong and flexible balance sheet. We remain focused on maintaining portfolio liquidity and flexibility, providing us with the ability to capitalise on opportunities both across the portfolio and externally as they arise. Despite the looming clouds of global and local economic uncertainty, the thematic tailwinds continue to underpin the investment across our diverse portfolio.

A marquee investment

Undoubtably one of the highlights from the last six months was the agreement we reached with Brookfield in June to acquire the remaining 49.95% stake in One NZ that we didn't already own. It was the culmination of a six-year journey that began well before our initial investment in May 2019, and then ended with securing 49.95% this year.

One NZ isn't just an asset; it is critical infrastructure in a modern economy. Increasing our ownership provides Infratil with both enhanced flexibility and a renewed focus on long-term value creation to support One NZ's continued success. Over the first four years, Infratil's investment in One NZ generated a return of 25.4% per annum, with the additional investment expected to deliver equity returns of 10-12%+ per annum and exhibit consistent earnings growth.

During the period, we added to our digital infrastructure portfolio with a conditional investment in Console Connect, an Asian-based top-3 global software-defined interconnection platform. Console Connect invests in new subsea fibre optic cables and simplifies the process of connecting to data centres, partners, clouds, and various applications on a global scale. Its fully automated switching and routing capabilities provide secure and efficient connectivity across the world. The platform's reach is impressive, serving approximately 17% of global internet traffic and extending its services to over 150 countries.

Subject to regulatory approvals, we have committed US$160 million, with up to US$295 million of additional capital over the following two years, which will result in Infratil owning between 60% to 80% of the business. Regulatory approvals include telecommunications and foreign investment regulations, as well as merger approvals in multiple jurisdictions. The anticipated completion is currently expected by the third quarter of 2024, marking a significant milestone in globally diversifying our investments.

> "At Infratil, our investment philosophy is founded on identifying a broad spectrum of opportunities, both in our existing portfolio and externally, and then allocating capital to these options in a manner that optimises outcomes for you, our shareholders."

Focused on a flexible, resilient capital structure

Infratil continues to enjoy strong investment community support, with our equity raise, conducted as part of the One NZ transaction, providing significant funding capacity to support investments in growth opportunities across the portfolio. The Institutional Placement and Retail Offer represented not only the largest raise Infratil has ever undertaken, but also one of the largest in New Zealand's corporate history, with the total equity raised exceeding $935 million.

Infratil's increasing market capitalisation and liquidity has attracted new investors, including new international institutions, to our shareholder register over the past six months. While New Zealand retail ownership has decreased during this period, our robust retail investor base complements the increase in international institutional ownership. We remain committed to our retail shareholders, having recently held 15 meetings across New Zealand, attended by over 1,800 retail investors in the last six months.

We retain considerable funding capacity and flexibility to support further investment across our portfolio. Immediately following the transaction, we launched a new retail bond offer. This initiative saw $150 million of IFT330 Bonds issued in July, while $127.2 million of IFT340 Bonds were issued through the rollover of $122.1 million of maturing IFT210 Bonds in September.

Making meaningful commitments: prioritising climate action

Investors are increasingly supporting sustainable investments. A recent Responsible Investment Association Australasia report revealed that 'responsible' investment funds in New Zealand are surpassing traditional managed funds for the first time. In 2022, these responsible investment funds reached a record $183 billion, constituting 52% of the market.

Recognising the shifting landscape, our approach to sustainability continues to evolve. In August, we published our inaugural sustainability report, a comprehensive document outlining our refreshed sustainability strategy, material environmental, social, and corporate governance ('ESG') issues, emissions footprint, and illustrative case studies drawn from our portfolio. These case studies serve to breathe life into the key ESG issues we are focused on across our portfolio. The sector diversity of our portfolio contributes positively to various aspects of sustainability, from renewable energy generation to the provision of healthcare services and the facilitation of connectivity.

The pillar of 'Climate and Nature' stands as a cornerstone of our refreshed sustainability strategy. Society is already grappling with the impacts of climate change, as evidenced by recent extreme weather events in New Zealand and across the globe. Our investors, too, are vocal about their desire to see a future characterised by a liveable climate, resilient and sustainable infrastructure, prosperous communities with abundant job opportunities, and a thriving natural environment.

As a company dedicated to playing our role helping to shape a sustainable future, Infratil is proud to be the first financial institution in New Zealand to have SBTi (Science Based Targets initiative) validation of our climate targets - an achievement that signifies our credible commitment to climate action. Targets are considered 'science-based' if they are in line with what the latest climate science deems necessary to meet the goals of the Paris Agreement – limiting global warming to 1.5°C above pre-industrial levels.

Our targets involve a commitment to maintaining zero absolute scope 1 and 2 GHG emissions and a target to reduce absolute scope 3 GHG emissions from business travel. In addition, we have also set a portfolio coverage target which means that each of our portfolio companies will also set their own validated targets.

Additionally, we will continue to focus on sectors that support decarbonisation, such as renewable energy, and apply our investment screening criteria, particularly with regard to high emissions intensity sectors to show our commitment to climate action in our approach and investments.

Sector updates

Digital Infrastructure

Demand for data centres globally is experiencing an unprecedented surge, and CDC is very well positioned to capture this growing demand with large campus facilities ideally suited for the rollout of multi-megawatt deployments.

Increasingly important is the co-locating of existing customer workloads and generative AI inference workloads within the same data centre. In this landscape, rapid project execution and the ability to respond swiftly to customer requirements are paramount. CDC has embarked on an ambitious development plan, bringing forward its substantial development pipeline across multiple locations, including Canberra, Sydney, Melbourne, and Auckland. The accelerated plan includes an increase of 223MW of facilities under construction, with further future capacity expansion now totalling 517MW.

The independent valuation of Infratil's CDC investment at 30 September 2023 grew strongly, increasing A$448 million over the six months since 31 March 2023. This equates to approximately NZ$0.58 per Infratil share, showcasing the substantial value inherent in this investment.

As Infratil's digital infrastructure platform expands globally into a growing network of partnerships, we have also increased our stake in the UK data centre platform, Kao Data. With a majority holding of 53%, our new shareholding offers streamlined ownership and will provide further support to facilitate Kao Data's growth.

Kao Data is scaling its presence across the UK. Notably, it has recently announced an expansion into Manchester – the planned 40MW site will support Greater Manchester's growing technology ecosystem and the UK's largest high-performance computing and artificial intelligence sectors outside of London and the Oxford-Cambridge arc.

Renewable Energy

Our North American renewables business, Longroad Energy, is currently undertaking the largest capital works project in its history. Beyond its operational and under-construction projects – it has five projects totalling 1.5GW under construction – Longroad maintains a development pipeline spanning 28.3GW, consisting of wind, solar, and storage assets across more than 20 American states.

Recent U.S. legislation – the Inflation Reduction Act – has delivered the renewable energy sector with nearly US$400 billion in federal funding, with the explicit goal of substantially reducing the nation's carbon emissions by the end of this decade. Longroad's pipeline is now 60% larger than it envisaged at the beginning of 2023, including both near-term and long-term projects, and positions Longroad as a substantial player in the U.S. renewable energy sector.

Sun Streams 4 and Serrano are two Arizona-based development priorities Longroad is currently working through. Sun Streams 4 started construction on 1 November 2023, while Serrano is expected to reach the project milestones required to start construction before the end of the year. Between them, these projects will represent 1.1GW of new solar and storage facilities.

Our other renewables platforms around the world are also gaining momentum. Gurīn Energy, our pan-Asian renewable energy venture, has received one of five conditional approvals to establish a green electricity trading corridor between Indonesia and Singapore. This ambitious project aims to deliver 300MW of non-intermittent renewable energy to the Singapore market, commencing in 2027. The plan includes the generation of power on the Riau Islands in Indonesia, supported by 2GW of solar photovoltaic installed capacity and approximately 4.4GWh of battery storage – making it one of the largest projects of its kind in the world.

In Northern Europe, Galileo has successfully sold its share of a pipeline of projects, totalling 0.8GW, with on-going sale processes for others. Additionally, Source Galileo, a joint venture with an experienced wind offshore team, has attracted investment from Ingka Group, the world's largest IKEA retailer, and from Kansai, the utility operator from Osaka, Japan.

Back in the Asia-Pacific region, Mint Renewables has secured land under option for a battery installation in Victoria and a land licence for a 1GW wind site in Queensland. The breadth of opportunities across these diverse platforms demonstrates the value they bring to our portfolio and the appeal they hold for external capital seeking investment.

With the sale of Manawa Energy's retail business now complete, Manawa is entering a phase focused on optimising its existing options and positioning itself to deliver long-term value for shareholders. This future potential is underpinned by a well-performing operating portfolio, particularly relevant in the context of New Zealand's accelerating renewable energy drive.

During the current period production volumes were 1,110GWh across the portfolio, up 13.7% from 976GWh in the prior period. South Island volumes displayed strength, driven by increased use of storage in preparation for an extended planned outage at Waipori and the capture of strong prices observed throughout the second quarter.

Advanced Healthcare Infrastructure

While relatively new to Infratil's portfolio, the Healthcare sector is a key component of our portfolio. Our performance in New Zealand is in line with our expectations, while the environment in Australia has been more volatile and is taking longer to recover from the covid tail. Steady progress continues to be made in a challenging cost and labour market.

In New Zealand with RHCNZ Medical Imaging Group – which delivers 33% of New Zealand's radiology services (both public and private) through Auckland Radiology, Bay Radiology and Pacific Radiology - volumes continue to track ahead of forecast and the prior year, with revenue up 12% over the prior year. The business has seen competition impact the back end of the period, but underlying growth has more than offset this.

Qscan has demonstrated robust growth, with half-year revenues surpassing the previous year by 12%, albeit slightly below budget. Volume growth has nearly returned to historic trends, and we anticipate additional pricing uplift in November 2023 from the added Medicare indexation of 0.5%.

Our focus remains on leveraging our scale to deliver the highest level of service to patients, referrers, and funders. This commitment entails making the type of investment that smaller operators are unable to – including investment in leading IT solutions and ongoing enhancement of our capabilities and human resources. These strategic investments place us in a unique position in New Zealand to offer national service offerings to agencies such as Te Whatu Ora (Health New Zealand) and Te Aka Whai Ora (Māori Health Authority), where we can deliver a consistent world-class radiology service at a local level.

Our commitment to excellence extends to projects in both Australia and New Zealand, including continued investment in the latest state-of-the-art imaging equipment and by expanding our footprint through the opening of new clinics. The healthcare sector is a dynamic and evolving landscape, and we are well positioned to continue to partner with special medical practices to deliver these essential services.

RetireAustralia continues to perform well, with strong trading and occupancy. Waitlists are now established at 25 villages, with low overall vacancy. The near-term development pipeline remains robust, with RetireAustralia on track to achieve the completion of 254 independent living units in FY2024.

During the first quarter of 2024, the first of RetireAustralia's Care Hubs is forecast to reach practical completion (in addition to 62 independent living apartments comprising Stage 3 of 'The Verge', Gold Coast). A Care Hub is a genuine alternative to aged care, offering compassionate and person-centred care in a boutique and homelike environment. The costs are carried by the consumer and can be partially offset if they have a Home Care Package.

Wellington Airport

Wellington Airport continues its robust recovery, with domestic and international passenger volumes standing at 86% and 72% of pre-covid levels, respectively. The reintroduction of a Wellington to Brisbane Qantas service in October has been well-received, restoring a service that was last operated seasonally in 2015.

In the coming months, the Wellington Airport team will focus on finalising its five-year pricing consultation with airlines. The new pricing structure is set to conclude by 1 March 2024, and will cover aeronautical pricing for the period 1 April 2024 to 31 March 2029.

Outlook

The current uncertain macroeconomic backdrop underscores the importance of maintaining a diversified portfolio. Infratil's diversity encompasses the sectors in which we invest, the geographical locations we serve, and our risk tolerance within each of these areas. Often, the assets within the core of our portfolio receive less attention, as they are viewed as less risky and expected to deliver lower returns. However, they play an important role in delivering the lower end of Infratil's target long-term shareholder return target of 11-15%.

The operating performance across our portfolio gives us the confidence to lift our FY2024 Proportionate EBITDAF guidance from $800–$840 million, to $820–$850 million. This is pleasing, at a time when pressure is coming on earnings across the economy.

As we head into a period which is likely to be dominated by a continuation of the macro-economic uncertainty that we are currently experiencing, we are excited about the level of opportunity for continued investment across our existing portfolio. These opportunities are likely to continue to exceed our available capital, allowing us to continue to prioritise the highest value opportunities for shareholders.

We thank you for your continued support and are committed to delivering our best to shareholders.

Alison Gerry
Chair

Jason Boyes
Chief Executive Officer

Infratil Interim Financial Statements

For the 6 months ended
30 September 2023

Contents

Consolidated Statement of Comprehensive Income

For the 6 months ended 30 September 2023

	Notes	6 months ended 30 September 2023 $Millions Unaudited	6 months ended 30 September 2022 $Millions Unaudited	Year ended 31 March 2023 $Millions Audited
Operating revenue		1,286.6	604.4	1,191.7
Dividends		0.1	-	-
Total revenue		**1,286.7**	**604.4**	**1,191.7**
Share of earnings of associate companies	5	173.9	346.6	653.4
Total income		**1,460.6**	**951.0**	**1,845.1**
Depreciation		178.7	49.4	102.5
Amortisation of intangibles		2.0	1.7	5.1
Employee benefits		312.1	189.2	374.9
Other operating expenses		666.1	385.2	666.5
Total operating expenditure		**1,158.9**	**625.5**	**1,149.0**
Operating surplus before financing, derivatives, realisations and impairments		**301.7**	**325.5**	**696.1**
Net gain on foreign exchange and derivatives		55.1	54.9	91.9
Net realisations, revaluations and impairments		1,073.0	(0.2)	(17.1)
Interest income		10.3	6.9	22.0
Interest expense		165.4	89.2	188.8
Net financing expense		155.1	82.3	166.8
Net surplus before taxation		**1,274.7**	**297.9**	**604.1**
Taxation expense	7	59.6	77.1	42.5
Net surplus for the period from continuing operations		**1,215.1**	**220.8**	**561.6**
Net surplus/(loss) from discontinued operations after tax		(0.6)	336.5	330.1
Net surplus for the period		**1,214.5**	**557.3**	**891.7**
Net surplus attributable to owners of the Company		1,174.9	350.5	643.1
Net surplus attributable to non-controlling interest		39.6	206.8	248.6
Other comprehensive income, after tax				
Items that will not be reclassified to profit and loss:				
Fair value change of property, plant & equipment recognised in equity		20.9	14.7	65.4
Share of associates other comprehensive income		17.1	45.5	27.7
Net change in fair value of equity investments at fair value through OCI		(8.5)	(1.9)	(2.3)
Realisations on disposal of equity investments at fair value through OCI		-	-	-
Income tax effect of the above items		(1.4)	(9.1)	(5.3)
Items that may subsequently be reclassified to profit and loss:				
Differences arising on translation of foreign operations		44.3	163.1	(3.6)
Realisations on disposal of subsidiary, reclassified to profit and loss		-	-	-
Effective portion of changes in fair value of cash flow hedges		42.2	(0.6)	6.8
Income tax effect of the above items		13.2	(8.2)	(1.9)
Total other comprehensive income after tax		**127.8**	**203.5**	**86.8**
Total comprehensive income for the period		**1,342.3**	**760.8**	**978.5**
Total comprehensive income for the period attributable to owners of the Company		1,276.2	557.3	710.1
Total comprehensive income for the period attributable to non-controlling interests		66.1	203.5	268.4
Earnings per share				
Basic and diluted (cents per share) from continuing operations		141.3	25.3	43.2
Basic and diluted (cents per share)		141.2	48.4	88.8

The accompanying notes form part of these consolidated financial statements.

Consolidated Statement of Financial Position

As at 30 September 2023

	Notes	30 September 2023 $Millions Unaudited	30 September 2022 $Millions Unaudited	31 March 2023 $Millions Audited
Cash and cash equivalents		146.5	522.5	774.5
Trade and other accounts receivable and prepayments		473.2	113.1	148.9
Electricity market security deposits		23.2	65.4	45.8
Derivative financial instruments		91.9	88.9	25.3
Inventories		56.9	2.5	2.3
Income tax receivable		3.5	20.0	9.1
Assets held for sale		184.1	479.3	169.8
Current assets		**979.3**	**1,291.7**	**1,175.7**
Trade and other accounts receivable and prepayments		99.8	11.0	16.3
Property, plant and equipment		4,487.5	3,448.8	3,560.1
Investment properties		129.6	108.1	132.2
Right of use assets		1,106.7	156.8	161.2
Derivative financial instruments		279.0	157.7	206.9
Intangible assets		524.3	129.3	128.7
Goodwill	8	5,148.6	1,891.3	1,846.1
Investments in associates	5	2,826.8	2,328.5	2,388.9
Shareholder loans to associates	5	218.5	501.2	429.6
Other investments		179.2	141.6	142.6
Non-current assets		15,000.0	8,874.3	9,012.6
Total assets		**15,979.3**	**10,166.0**	**10,188.3**
Accounts payable, accruals and other liabilities		817.8	289.4	361.9
Interest bearing loans and borrowings	9	31.4	21.0	494.6
Lease liabilities		75.7	13.7	19.0
Derivative financial instruments		38.5	71.9	37.0
Income tax payable		12.0	14.4	5.7
Infratil Infrastructure bonds	10	56.0	221.8	122.0
Manawa Energy bonds		-	77.7	-
Wellington International Airport bonds		60.0	75.0	75.0
Liabilities directly associated with the assets held for sale		70.4	70.7	70.1
Current liabilities		**1,161.8**	**855.6**	**1,185.3**
Interest bearing loans and borrowings	9	2,874.7	746.2	305.3
Accounts payable, accruals and other liabilities		222.0	127.5	177.9
Lease liabilities		1,065.6	165.3	189.2
Deferred tax liability		269.4	301.7	253.7
Derivative financial instruments		51.2	108.0	79.5
Infratil Infrastructure bonds	10	1,177.3	956.6	957.4
Perpetual Infratil Infrastructure bonds	10	231.9	231.9	231.9
Manawa Energy bonds		372.3	371.7	372.0
Wellington International Airport bonds and senior notes		565.6	558.7	625.4
Non-current liabilities		**6,830.0**	**3,567.6**	**3,192.3**
Attributable to owners of the Company		6,355.5	4,190.5	4,208.1
Non-controlling interest in subsidiaries		1,632.0	1,552.3	1,602.6
Total equity		**7,987.5**	**5,742.8**	**5,810.7**
Total equity and liabilities		**15,979.3**	**10,166.0**	**10,188.3**

Approved on behalf of the Board on 15 November 2023

Alison Gerry
Director

Anne Urlwin
Director

Consolidated Statement of Cash Flows

For the 6 months ended 30 September 2023

	Notes	6 months ended 30 September 2023 $Millions Unaudited	6 months ended 30 September 2022 $Millions Unaudited	Year ended 31 March 2023 $Millions Audited
Cash flows from operating activities				
Cash was provided from:				
Receipts from customers		1,319.2	688.9	1,180.1
Distributions received from associates		37.2	30.9	167.7
Other dividends		0.1	-	0.6
Interest received		10.5	6.6	21.7
		1,367.0	726.4	1,370.1
Cash was disbursed to:				
Payments to suppliers and employees		(1,019.5)	(865.2)	(1,173.5)
Interest paid		(154.4)	(77.0)	(163.6)
Taxation paid		(26.7)	(18.8)	(47.4)
		(1,200.6)	(961.0)	(1,384.5)
Net cash inflow / (outflow) from operating activities	12	**166.4**	**(234.6)**	**(14.4)**
Cash flows from investing activities				
Cash was provided from:				
Capital returned from associates		-	-	748.4
Proceeds of shareholder (loan)		0.1	-	0.8
Proceeds from sale of subsidiaries (net of cash sold)		-	-	-
Proceeds from sale of the Trustpower Retail business		-	465.0	462.5
Proceeds from sale of property, plant and equipment		1.0	-	0.8
Proceeds from sale of investment property		-	0.4	0.2
Proceeds from sale of investments		0.2	2.8	0.2
Return of security deposits		39.2	112.8	158.6
		40.5	581.0	1,371.5
Cash was disbursed to:				
Purchase of investments		(1,825.4)	(78.5)	(566.4)
Proceeds to shareholder (loan)		(258.6)	-	-
Lodgement of security deposits		(16.5)	(113.5)	(141.4)
Purchase of intangible assets		(36.5)	-	(2.7)
Purchase of shares in subsidiaries, net of cash acquired		(0.1)	(40.5)	(39.2)
Purchase of property, plant and equipment		(165.1)	(51.9)	(137.4)
		(2,302.2)	(284.4)	(887.1)
Net cash inflow / (outflow) from investing activities		**(2,261.7)**	**296.6**	**484.4**
Cash flows from financing activities				
Cash was provided from:				
Proceeds from issue of shares		916.1	-	-
Proceeds from issue of shares to non-controlling interest		2.4	4.4	10.4
Bank borrowings		641.4	38.9	88.6
Issue of bonds		276.7	214.3	290.9
		1,836.6	257.6	389.9
Cash was disbursed to:				
Repayment of bank debt		(92.3)	(356.4)	(359.5)
Repayment of lease liabilities		(32.4)	(12.2)	(26.9)
Loan establishment costs		(7.4)	(3.1)	(8.6)
Repayment of bonds		(122.1)	(93.7)	(271.5)
Infrastructure bond issue expenses		(2.1)	(1.5)	(1.9)
Shares acquired from non-controlling shareholders in subsidiary companies		(5.8)	(1.9)	(10.0)
Dividends paid to non-controlling shareholders in subsidiary companies		(42.4)	(94.5)	(122.4)
Dividends paid to owners of the Company	3	(91.3)	(86.8)	(135.7)
		(395.8)	(650.1)	(936.5)
Net cash inflow / (outflow) from financing activities		**1,440.8**	**(392.5)**	**(546.6)**
Net increase / (decrease) in cash and cash equivalents		(654.5)	(330.5)	(76.6)
Foreign exchange gains / (losses) on cash and cash equivalents		1.6	1.9	-
Cash and cash equivalents at beginning of the period		774.5	851.0	851.0
Cash balances on acquisition		24.9	0.1	0.1
Cash and cash equivalents at end of the period		**146.5**	**522.5**	**774.5**

The accompanying notes form part of these consolidated financial statements.

Consolidated Statement of Changes in Equity

For the 6 months ended 30 September 2023

	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 2023	1,057.3	622.0	(8.1)	2.3	2,534.6	4,208.1	1,602.6	5,810.7
Total comprehensive income for the period								
Net surplus for the period	-	-	-	-	1,174.9	1,174.9	39.6	1,214.5
Other comprehensive income, after tax								
Differences arising on translation of foreign operations	-	-	44.3	-	-	44.3	-	44.3
Net change in fair value of equity investments at FVOCI	-	-	-	(8.5)	-	(8.5)	-	(8.5)
Realisations on disposal of equity investments at FVOCI	-	-	-	-	-	-	-	-
Effective portion of changes in fair value of cash flow hedges	-	-	-	35.5	-	35.5	19.9	55.4
Fair value change of property, plant & equipment recognised in equity	-	12.9	-	-	-	12.9	6.6	19.5
Share of associates other comprehensive income	-	-	-	17.1	-	17.1	-	17.1
Total other comprehensive income	-	12.9	44.3	44.1	-	101.3	26.5	127.8
Total comprehensive income for the period	**-**	**12.9**	**44.3**	**44.1**	**1,174.9**	**1,276.2**	**66.1**	**1,342.3**
Contributions by and distributions to non-controlling interest								
Distributions to outside equity interest in associates	-	-	-	(13.6)	-	(13.6)	-	(13.6)
Non-controlling interest arising on acquisition of subsidiary	-	-	-	-	-	-	4.1	4.1
Issue of shares to non-controlling interests	-	-	-	-	-	-	1.7	1.7
Issue/(acquisition) of shares held by outside equity interest	-	-	-	-	-	-	-	-
Total contributions by and distributions to non-controlling interest	-	-	-	(13.6)	-	(13.6)	5.8	(7.8)
Contributions by and distributions to owners								
Shares issued	976.1	-	-	-	-	976.1	-	976.1
Share buyback	-	-	-	-	-	-	-	-
Shares issued under dividend reinvestment plan	-	-	-	-	-	-	-	-
Dividends to equity holders	-	-	-	-	(91.3)	(91.3)	(42.5)	(133.8)
Total contributions by and distributions to owners	976.1	-	-	-	(91.3)	884.8	(42.5)	842.3
Balance as at 30 September 2023	**2,033.4**	**634.9**	**36.2**	**32.8**	**3,618.2**	**6,355.5**	**1,632.0**	**7,987.5**

The accompanying notes form part of these consolidated financial statements.

Consolidated Statement of Changes in Equity

For the 6 months ended 30 September 2022

	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 2022	1,057.3	576.9	(1.3)	53.8	2,027.2	3,713.9	1,426.8	5,140.7
Total comprehensive income for the period								
Net surplus for the period	-	-	-	-	350.5	350.5	206.8	557.3
Other comprehensive income, after tax								
Differences arising on translation of foreign operations	-	-	163.1	-	-	163.1	-	163.1
Net change in fair value of equity investments at FVOCI	-	-	-	(1.9)	-	(1.9)	-	(1.9)
Realisations on disposal of equity investments at FVOCI	-	-	-	-	-	-	-	-
Effective portion of changes in fair value of cash flow hedges	-	-	-	(3.6)	-	(3.6)	(5.2)	(8.8)
Fair value change of property, plant & equipment recognised in equity	-	3.7	-	-	-	3.7	1.9	5.6
Share of associates other comprehensive income	-	-	-	45.5	-	45.5	-	45.5
Total other comprehensive income	-	3.7	163.1	40.0	-	206.8	(3.3)	203.5
Total comprehensive income for the period	**-**	**3.7**	**163.1**	**40.0**	**350.5**	**557.3**	**203.5**	**760.8**
Contributions by and distributions to non-controlling interest								
Distributions to outside equity interest in associates	-	-	-	-	-	-	-	-
Non-controlling interest arising on acquisition of subsidiary	-	-	-	-	-	-	13.6	13.6
Issue of shares to non-controlling interests	-	-	-	7.0	-	7.0	4.2	11.2
Issue/(acquisition) of shares held by outside equity interest	-	-	-	(0.9)	-	(0.9)	(1.0)	(1.9)
Total contributions by and distributions to non-controlling interest	-	-	-	6.1	-	6.1	16.8	22.9
Contributions by and distributions to owners								
Shares issued	-	-	-	-	-	-	-	-
Share buyback	-	-	-	-	-	-	-	-
Shares issued under dividend reinvestment plan	-	-	-	-	-	-	-	-
Dividends to equity holders	-	-	-	-	(86.8)	(86.8)	(94.8)	(181.6)
Total contributions by and distributions to owners	-	-	-	-	(86.8)	(86.8)	(94.8)	(181.6)
Balance as at 30 September 2022	**1,057.3**	**580.6**	**161.8**	**99.9**	**2,290.9**	**4,190.5**	**1,552.3**	**5,742.8**

The accompanying notes form part of these consolidated financial statements.

Consolidated Statement of Changes in Equity

For the year ended 31 March 2023

	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 2022	1,057.3	576.9	(1.3)	53.8	2,027.2	3,713.9	1,426.8	5,140.7
Total comprehensive income for the year								
Net surplus for the year	-	-	-	-	643.1	643.1	248.6	891.7
Other comprehensive income, after tax								
Differences arising on translation of foreign operations	-	-	(6.8)	-	-	(6.8)	3.0	(3.8)
Net change in fair value of equity investments at FVOCI	-	-	-	(2.3)	-	(2.3)	-	(2.3)
Realisations on disposal of equity investments at FVOCI	-	-	-	-	-	-	-	-
Effective portion of changes in fair value of cash flow hedges	-	-	-	3.3	-	3.3	1.8	5.1
Fair value change of property, plant & equipment recognised in equity	-	45.1	-	-	-	45.1	15.0	60.1
Share of associates other comprehensive income	-	-	-	27.7	-	27.7	-	27.7
Total other comprehensive income	-	45.1	(6.8)	28.7	-	67.0	19.8	86.8
Total comprehensive income for the year	**-**	**45.1**	**(6.8)**	**28.7**	**643.1**	**710.1**	**268.4**	**978.5**
Contributions by and distributions to non-controlling interest								
Distributions to outside equity interest in associates	-	-	-	(74.6)	-	(74.6)	-	(74.6)
Non-controlling interest arising on acquisition of subsidiary	-	-	-	-	-	-	13.5	13.5
Issue of shares to non-controlling interests	-	-	-	(4.5)	-	(4.5)	17.3	12.8
Issue/(acquisition) of shares held by outside equity interest	-	-	-	(1.1)	-	(1.1)	(1.0)	(2.1)
Total contributions by and distributions to non-controlling interest	-	-	-	(80.2)	-	(80.2)	29.8	(50.4)
Contributions by and distributions to owners								
Shares issued	-	-	-	-	-	-	-	-
Share buyback	-	-	-	-	-	-	-	-
Shares issued under dividend reinvestment plan	-	-	-	-	-	-	-	-
Dividends to equity holders	-	-	-	-	(135.7)	(135.7)	(122.4)	(258.1)
Total contributions by and distributions to owners	-	-	-	-	(135.7)	(135.7)	(122.4)	(258.1)
Balance at 31 March 2023	**1,057.3**	**622.0**	**(8.1)**	**2.3**	**2,534.6**	**4,208.1**	**1,602.6**	**5,810.7**

The accompanying notes form part of these consolidated 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 2023 and should be read in conjunction with the previous annual report. No changes have been made from the accounting policies used in the 31 March 2023 annual report, other than noted below, 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.

International Tax Reform - Pillar Two Model Rules

Except as described below, the accounting policies applied in these interim financial statements are the same as those applied in the Group's consolidated financial statements as at and for the year ended 31 March 2023.

The Group has adopted International Tax Reform – Pillar Two Model Rules – Amendments to IAS 12 that were approved by the New Zealand Accounting Standards in July 2023 and became effective 10 August 2023. The amendments provide a temporary mandatory exception from deferred tax accounting and require new disclosures in the annual financial statements relating to the Pillar Two Model Rules. The Group has applied the exception with immediate effect. As no legislation to implement the Pillar Two Model Rules had been enacted or substantively enacted at 31 March 2023 in any jurisdiction in which the Group operates and, as such, no related deferred taxes were recognised at that date, the application of the exception has no impact on the Group's interim financial statements.

2 Nature of business

The Group owns and operates infrastructure businesses and investments in New Zealand, Australia, the United States, Asia, United Kingdom and Europe. 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 that make up the Group 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.

3 Infratil shares and dividends

Ordinary shares (fully paid)	6 months ended 30 September 2023 Unaudited	6 months ended 30 September 2022 Unaudited	Year ended 31 March 2023 Audited
Total authorised and issued shares at the beginning of the period	723,983,582	723,983,582	723,983,582
Movements during the period:			
New shares issued	107,906,405	-	-
New shares issued under dividend reinvestment plan	-	-	-
Treasury stock reissued under dividend reinvestment plan	-	-	-
Share buyback	-	-	-
Total authorised and issued shares at the end of the period	**831,889,987**	**723,983,582**	**723,983,582**

During the period, the company issued 101.6 million new shares as part of an equity raise undertaken to partially fund the acquisition of 49.95% of One NZ (Note 6.1). Net proceeds from the raise (after transaction costs and foreign exchange movements of $18.8 million) were $916.1 million. Additionally, 6.3 million new shares were issued to pay $60.0 million of incentive fees payable to Morrison & Co as consideration for management services, as announced on 22 May 2023. All fully paid ordinary shares have equal voting rights and share equally in dividends and equity. At 30 September 2023 the Group held 1,662,617 shares as Treasury Stock (30 September 2022: 1,662,617, 31 March 2023: 1,662,617).

Dividends paid on ordinary shares	6 months ended 30 September 2023 Cents per share Unaudited	6 months ended 30 September 2022 Cents per share Unaudited	Year ended 31 March 2023 Cents per share Audited	6 months ended 30 September 2023 $Millions Unaudited	6 months ended 30 September 2022 $Millions Unaudited	Year ended 31 March 2023 $Millions Audited
Final dividend prior year	12.50	12.00	12.00	91.3	86.8	86.8
Interim dividend current year	-	-	6.75	-	-	48.9
Dividends paid on ordinary shares	12.50	12.00	18.75	91.3	86.8	135.7

4 Operating segments

Gurīn Energy, Manawa Energy and Mint Renewables are renewable generation investments, Wellington International Airport is an airport investment, Qscan Group and RHCNZ Medical Imaging make up the Group's Diagnostic Imaging platform and One NZ is a digital infrastructure investment. Infratil accounts for these companies as subsidiaries. Associates comprises Infratil's investments that are not consolidated for financial reporting purposes including CDC Data Centres, Fortysouth, Galileo, Kao Data, Longroad Energy and RetireAustralia. Further information on these investments is outlined in Note 5. During the period, Infratil increased its ownership in One NZ and the company is now consolidated for financial reporting purposes (Note 6.1). The Group's investment in the Trustpower Retail business, which was previously part of Manawa Energy, was treated as discontinued operations as at 30 September 2022 and 31 March 2023. The Group's investment in Tilt Renewables was treated as a discontinued operation at 30 September 2022. All other segments and corporate predominately includes the activities of the Parent Company. The Group has no significant reliance on any one customer. Inter-segment revenue primarily comprises dividends from portfolio companies to the Parent Company.

Entity wide disclosure - geographical

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

Operating segments

For the period ended 30 September 2023	Gurīn Energy Asia $Millions Unaudited	Manawa Energy New Zealand $Millions Unaudited	Mint Renewables Australasia $Millions Unaudited	Wellington International Airport New Zealand $Millions Unaudited	Diagnostic Imaging Australasia $Millions Unaudited	One NZ New Zealand $Millions Unaudited	Associates $Millions Unaudited	All other segments and corporate New Zealand $Millions Unaudited	Eliminations & discontinued operations $Millions Unaudited	Total $Millions Unaudited
Total revenue	0.3	217.8	-	76.7	329.9	650.9	-	92.8	(81.7)	1,286.7
Share of earnings of associate companies	-	-	-	-	-	-	173.9	-	-	173.9
Inter-segment revenue	-	-	-	-	-	-	-	(66.8)	66.8	-
Total income	0.3	217.8	-	76.7	329.9	650.9	173.9	26.0	(14.9)	1,460.6
Depreciation	(0.3)	(9.6)	-	(14.8)	(27.7)	(126.3)	-	-	-	(178.7)
Amortisation of intangibles	-	(0.6)	-	-	(1.4)	-	-	-	-	(2.0)
Employee benefits	(5.5)	(18.3)	(1.3)	(8.1)	(171.7)	(106.9)	-	(0.3)	-	(312.1)
Other operating expenses	(4.4)	(122.5)	(2.7)	(39.6)	(63.9)	(354.7)	-	(34.3)	(44.0)	(666.1)
Total operating expenditure	(10.2)	(151.0)	(4.0)	(62.5)	(264.7)	(587.9)	-	(34.6)	(44.0)	(1,158.9)
Operating surplus before financing, derivatives, realisations and impairments	**(9.9)**	**66.8**	**(4.0)**	**14.2**	**65.2**	**63.0**	**173.9**	**(8.6)**	**(58.9)**	**301.7**
Net gain/(loss) on foreign exchange and derivatives	(0.7)	23.6	-	0.3	3.5	-	-	28.4	-	55.1
Net realisations, revaluations and impairments	-	-	-	(2.6)	-	0.6	-	1,075.0	-	1,073.0
Interest income	-	-	0.1	1.4	0.8	-	-	8.6	(0.6)	10.3
Interest expense	(0.6)	(12.7)	-	(17.5)	(30.4)	(64.8)	-	(54.7)	15.3	(165.4)
Net financing expense	(0.6)	(12.7)	0.1	(16.1)	(29.6)	(64.8)	-	(46.1)	14.7	(155.1)
Net surplus before taxation	**(11.2)**	**77.7**	**(3.9)**	**(4.2)**	**39.1**	**(1.2)**	**173.9**	**1,048.7**	**(44.2)**	**1,274.7**
Taxation expense	-	(21.8)	-	2.0	(11.3)	0.7	-	(28.9)	(0.3)	(59.6)
Net surplus/(loss) for the period	**(11.2)**	**55.9**	**(3.9)**	**(2.2)**	**27.8**	**(0.5)**	**173.9**	**1,019.8**	**(44.5)**	**1,215.1**
Net surplus/(loss) attributable to owners of the company	(10.2)	27.6	(2.8)	(1.4)	14.0	(0.9)	173.9	1,019.8	(44.5)	1,175.5
Net surplus/(loss) attributable to non-controlling interests	(1.0)	28.3	(1.1)	(0.8)	13.8	0.4	-	-	-	39.6
Current assets	39.4	149.6	2.6	35.4	89.9	434.6	-	43.8	184.0	979.3
Non-current assets	35.7	2,035.9	(5.0)	1,690.6	2,341.8	5,560.2	3,045.3	1,058.1	(762.6)	15,000.0
Current liabilities	40.5	127.1	0.9	95.9	137.0	995.3	-	183.5	(418.4)	1,161.8
Non-current liabilities	5.5	723.2	-	775.8	902.7	2,420.4	-	2,234.8	(232.4)	6,830.0
Net assets	29.1	1,335.2	(3.3)	854.3	1,392.0	2,579.1	3,045.3	(1,316.4)	72.2	7,987.5
Net debt	(35.2)	435.4	(2.1)	632.9	696.6	1,423.5	-	2,071.6	-	5,222.7
Non-controlling interest percentage	5.0%	48.9%	27.7%	34.0%	47.4%	0.1%	-	-	-	-
Capital expenditure and investments	28.3	32.0	0.8	24.7	30.9	122.6	213.8	16.3	-	469.4

Operating segments

For the period ended 30 September 2022	Gurīn Energy Asia $Millions Unaudited	Manawa Energy New Zealand $Millions Unaudited	Mint Renewables Australasia $Millions Unaudited	Wellington International Airport New Zealand $Millions Unaudited	Diagnostic Imaging Australasia $Millions Unaudited	One NZ New Zealand $Millions Unaudited	Associates $Millions Unaudited	All other segments and corporate New Zealand $Millions Unaudited	Eliminations & discontinued operations $Millions Unaudited	Total $Millions Unaudited
Total revenue	-	287.0	-	63.8	298.5	-	-	108.1	(54.1)	703.3
Share of earnings of associate companies	-	-	-	-	-	-	346.6	-	-	346.6
Inter-segment revenue	-	-	-	-	-	-	-	(98.9)	-	(98.9)
Total income	-	287.0	-	63.8	298.5	-	346.6	9.2	(54.1)	951.0
Depreciation	(0.1)	(10.3)	-	(14.2)	(25.8)	-	(0.1)	-	1.1	(49.4)
Amortisation of intangibles	-	(1.2)	-	-	(1.3)	-	-	-	0.8	(1.7)
Employee benefits	(3.5)	(20.9)	-	(7.1)	(160.9)	-	-	(0.2)	3.4	(189.2)
Other operating expenses	(3.5)	(192.6)	-	(16.4)	(57.1)	-	-	(64.1)	(51.5)	(385.2)
Total operating expenditure	(7.1)	(225.0)	-	(37.7)	(245.1)	-	(0.1)	(64.3)	(46.2)	(625.5)
Operating surplus before financing, derivatives, realisations and impairments	**(7.1)**	**62.0**	**-**	**26.1**	**53.4**	**-**	**346.5**	**(55.1)**	**(100.3)**	**325.5**
Net gain/(loss) on foreign exchange and derivatives	-	10.3	-	0.4	5.0	-	-	39.1	0.1	54.9
Net realisations, revaluations and impairments	-	348.8	-	-	-	-	-	(13.5)	(335.5)	(0.2)
Interest income	-	0.3	-	0.5	0.2	-	-	6.0	(0.1)	6.9
Interest expense	-	(12.3)	-	(13.5)	(26.7)	-	-	(36.7)	-	(89.2)
Net financing expense	-	(12.0)	-	(13.0)	(26.5)	-	-	(30.7)	(0.1)	(82.3)
Net surplus before taxation	**(7.1)**	**409.1**	**-**	**13.5**	**31.9**	**-**	**346.5**	**(60.2)**	**(435.8)**	**297.9**
Taxation expense	-	(18.1)	-	(2.4)	(9.2)	-	-	(47.8)	0.4	(77.1)
Net surplus/(loss) for the period	**(7.1)**	**391.0**	**-**	**11.1**	**22.7**	**-**	**346.5**	**(108.0)**	**(435.4)**	**220.8**
Net surplus/(loss) attributable to owners of the company	(6.7)	198.8	-	7.4	11.3	-	346.6	(108.0)	(266.1)	183.3
Net surplus/(loss) attributable to non-controlling interests	(0.4)	192.0	-	3.7	11.4	-	-	-	(169.2)	37.5
Current assets	9.0	221.7	-	61.9	88.7	-	308.1	431.2	171.1	1,291.7
Non-current assets	3.0	1,929.3	-	1,521.4	2,360.5	-	2,829.8	431.0	(200.7)	8,874.3
Current liabilities	3.7	195.5	-	92.9	116.4	-	-	382.7	64.4	855.6
Non-current liabilities	0.1	696.9	-	717.3	909.9	-	-	1,408.5	(165.1)	3,567.6
Net assets	8.2	1,258.6	-	773.1	1,422.9	-	3,137.9	(929.0)	71.1	5,742.8
Net debt	(8.4)	460.6	-	586.1	696.7	-	-	1,003.2	-	2,738.1
Non-controlling interest percentage	5.0%	48.9%	-	34.0%	47.4%	-	-	-	-	-
Capital expenditure and investments	12.0	18.2	-	19.9	18.1	-	56.3	20.3	-	144.8

Operating segments

	Gurīn Energy Asia $Millions Audited	Manawa Energy New Zealand $Millions Audited	Mint Renewables Australasia $Millions Audited	Wellington International Airport New Zealand $Millions Audited	Diagnostic Imaging Australasia $Millions Audited	One NZ New Zealand $Millions Audited	Associates $Millions Audited	All other segments and corporate New Zealand $Millions Audited	Eliminations & discontinued operations $Millions Audited	Total $Millions Audited
For the year ended 31 March 2023										
Total revenue	0.7	482.2	-	139.8	601.2	-	-	147.8	(54.0)	1,317.7
Share of earnings of associate companies	-	-	-	-	-	-	653.4	-	-	653.4
Inter-segment revenue	-	-	-	-	-	-	-	(126.0)	-	(126.0)
Total income	0.7	482.2	-	139.8	601.2	-	653.4	21.8	(54.0)	1,845.1
Depreciation	(0.4)	(20.9)	-	(28.8)	(53.9)	-	-	-	1.5	(102.5)
Amortisation of intangibles	-	(2.6)	-	-	(2.9)	-	-	-	0.4	(5.1)
Employee benefits	(8.7)	(37.6)	(1.1)	(15.6)	(314.9)	-	-	(0.4)	3.4	(374.9)
Other operating expenses	(8.4)	(304.4)	(0.9)	(34.6)	(116.4)	-	-	(122.9)	(78.9)	(666.5)
Total operating expenditure	(17.5)	(365.5)	(2.0)	(79.0)	(488.1)	-	-	(123.3)	(73.6)	(1,149.0)
Operating surplus before financing, derivatives, realisations and impairments	**(16.8)**	**116.7**	**(2.0)**	**60.8**	**113.1**	**-**	**653.4**	**(101.5)**	**(127.6)**	**696.1**
Net gain/(loss) on foreign exchange and derivatives	0.1	62.9	-	-	3.3	-	-	25.7	(0.1)	91.9
Net realisations, revaluations and impairments	-	329.3	-	(3.1)	0.3	-	-	(14.4)	(329.2)	(17.1)
Interest income	-	0.7	-	2.0	0.8	-	-	18.5	-	22.0
Interest expense	(0.1)	(25.7)	-	(28.3)	(58.9)	-	-	(75.6)	(0.2)	(188.8)
Net financing expense	(0.1)	(25.0)	-	(26.3)	(58.1)	-	-	(57.1)	(0.2)	(166.8)
Net surplus before taxation	**(16.8)**	**483.9**	**(2.0)**	**31.4**	**58.6**	**-**	**653.4**	**(147.3)**	**(457.1)**	**604.1**
Taxation expense	-	(39.6)	-	(6.3)	(14.4)	-	-	17.4	0.4	(42.5)
Net surplus/(loss) for the year	**(16.8)**	**444.3**	**(2.0)**	**25.1**	**44.2**	**-**	**653.4**	**(129.9)**	**(456.7)**	**561.6**
Net surplus/(loss) attributable to owners of the company	(15.9)	224.8	(1.5)	16.6	22.3	-	653.4	(129.9)	(295.4)	474.4
Net surplus/(loss) attributable to non-controlling interests	(0.9)	219.5	(0.5)	8.6	21.9	-	-	-	(161.4)	87.2
Current assets	26.7	137.6	4.2	144.8	85.0	-	-	607.7	169.7	1,175.7
Non-current assets	2.8	1,965.3	0.4	1,660.0	2,334.6	-	2,818.4	504.9	(273.8)	9,012.6
Current liabilities	26.0	156.4	0.4	108.1	554.2	-	-	297.7	42.5	1,185.3
Non-current liabilities	0.3	677.6	-	823.3	479.7	-	-	1,427.7	(216.3)	3,192.3
Net assets	3.2	1,268.9	4.2	873.4	1,385.7	-	2,818.4	(612.8)	69.7	5,810.7
Net debt	(23.7)	443.8	(4.0)	577.7	698.5	-	-	716.9	-	2,409.1
Non-controlling interest percentage	5.0%	48.9%	27.0%	34.0%	47.4%	-				
Capital expenditure and investments	2.9	44.2	-	69.7	62.8	-	532.5	24.2	-	736.3

Operating segments - geographical

	New Zealand $Millions Unaudited	Australia $Millions Unaudited	Asia $Millions Unaudited	United States $Millions Unaudited	United Kingdom & Europe $Millions Unaudited	Eliminations & discontinued operations $Millions Unaudited	Total $Millions Unaudited
For the period ended 30 September 2023							
Total revenue	1,211.2	156.9	0.3	-	-	(81.7)	1,286.7
Share of earnings of associate companies	1.3	98.0	-	79.1	(4.5)	-	173.9
Inter-segment revenue	(66.8)	-	-	-	-	66.8	-
Total income	1,145.7	254.9	0.3	79.1	(4.5)	(14.9)	1,460.6
Depreciation	(162.1)	(16.3)	(0.3)	-	-	-	(178.7)
Amortisation of intangibles	(1.5)	(0.5)	-	-	-	-	(2.0)
Employee benefits	(218.2)	(88.4)	(5.5)	-	-	-	(312.1)
Other operating expenses	(578.1)	(39.6)	(4.4)	-	-	(44.0)	(666.1)
Total operating expenditure	(959.9)	(144.8)	(10.2)	-	-	(44.0)	(1,158.9)
Operating surplus before financing, derivatives, realisations and impairments	**185.8**	**110.1**	**(9.9)**	**79.1**	**(4.5)**	**(58.9)**	**301.7**
Net gain/(loss) on foreign exchange and derivatives	55.8	-	(0.7)	-	-	-	55.1
Net realisations, revaluations and impairments	1,073.0	-	-	-	-	-	1,073.0
Interest income	10.5	0.4	-	-	-	(0.6)	10.3
Interest expense	(166.3)	(13.8)	(0.6)	-	-	15.3	(165.4)
Net financing expense	(155.8)	(13.4)	(0.6)	-	-	14.7	(155.1)
Net surplus before taxation	**1,158.8**	**96.7**	**(11.2)**	**79.1**	**(4.5)**	**(44.2)**	**1,274.7**
Taxation expense	(58.2)	(1.1)	-	-	-	(0.3)	(59.6)
Net surplus/(loss) for the period	**1,100.6**	**95.6**	**(11.2)**	**79.1**	**(4.5)**	**(44.5)**	**1,215.1**
Current assets	710.4	45.4	39.4	-	-	184.1	979.3
Non-current assets	11,227.9	2,881.8	35.7	597.0	441.8	(184.2)	15,000.0
Current liabilities	981.4	69.3	40.5	-	-	70.6	1,161.8
Non-current liabilities	6,683.4	373.4	5.5	-	-	(232.3)	6,830.0
Net assets	4,273.5	2,484.5	29.1	597.0	441.8	161.6	7,987.5
Net debt	4,985.1	272.9	(35.2)	-	-	-	5,222.7
Capital expenditure and investments	197.8	48.0	28.3	66.6	128.7	-	469.4

Operating segments - geographical

	New Zealand $Millions Unaudited	Australia $Millions Unaudited	Asia $Millions Unaudited	United States $Millions Unaudited	United Kingdom & Europe $Millions Unaudited	Eliminations & discontinued operations $Millions Unaudited	Total $Millions Unaudited
For the period ended 30 September 2022							
Total revenue	613.6	143.7	-	-	-	(54.0)	703.3
Share of earnings of associate companies	9.3	355.0	-	(6.7)	(11.0)	-	346.6
Inter-segment revenue	(98.9)	-	-	-	-	-	(98.9)
Total income	524.0	498.7	-	(6.7)	(11.0)	(54.0)	951.0
Depreciation	(34.6)	(15.8)	(0.1)	-	-	1.1	(49.4)
Amortisation of intangibles	(2.0)	(0.5)	-	-	-	0.8	(1.7)
Employee benefits	(104.5)	(84.5)	(3.5)	-	-	3.4	(189.1)
Other operating expenses	(397.5)	(31.5)	(3.5)	-	-	47.2	(385.3)
Total operating expenditure	(538.6)	(132.3)	(7.1)	-	-	52.5	(625.5)
Operating surplus before financing, derivatives, realisations and impairments	**(14.6)**	**366.4**	**(7.1)**	**(6.7)**	**(11.0)**	**(1.5)**	**325.5**
Net gain/(loss) on foreign exchange and derivatives	54.8	-	-	-	-	0.1	54.9
Net realisations, revaluations and impairments	335.4	-	-	-	-	(335.6)	(0.2)
Interest income	6.9	0.1	-	-	-	(0.1)	6.9
Interest expense	(79.1)	(10.1)	-	-	-	-	(89.2)
Net financing expense	(72.2)	(10.0)	-	-	-	(0.1)	(82.3)
Net surplus before taxation	**303.4**	**356.4**	**(7.1)**	**(6.7)**	**(11.0)**	**(337.1)**	**297.9**
Taxation expense	(76.9)	(0.6)	-	-	-	0.4	(77.1)
Net surplus/(loss) for the period	**479.7**	**1,084.9**	**(21.2)**	**(20.1)**	**(33.0)**	**(677.3)**	**220.8**
Current assets	1,071.3	40.2	9.0	-	-	171.2	1,291.7
Non-current assets	5,622.5	2,865.1	3.0	313.1	241.8	(171.2)	8,874.3
Current liabilities	720.9	64.3	3.7	-	-	66.7	855.6
Non-current liabilities	3,353.8	378.8	0.1	-	-	(165.1)	3,567.6
Net assets	2,619.1	2,462.2	8.2	313.1	241.8	98.4	5,742.8
Net debt	2,461.9	284.7	(8.4)	-	-	-	2,738.1
Capital expenditure and investments	49.5	20.8	12.0	41.2	21.3	-	144.8

Operating segments - geographical

	New Zealand $Millions Audited	Australia $Millions Audited	Asia $Millions Unaudited	United States $Millions Audited	United Kingdom & Europe $Millions Audited	Eliminations & discontinued operations $Millions Audited	Total $Millions Audited
For the year ended 31 March 2023							
Total revenue	1,078.5	292.5	0.7	-	-	(54.0)	1,317.7
Share of earnings of associate companies	199.1	407.7	-	37.5	9.1	-	653.4
Inter-segment revenue	(126.0)	-	-	-	-	-	(126.0)
Total income	1,151.6	700.2	0.7	37.5	9.1	(54.0)	1,845.1
Depreciation	(71.0)	(32.6)	(0.4)	-	-	1.5	(102.5)
Amortisation of intangibles	(4.5)	(1.0)	-	-	-	0.4	(5.1)
Employee benefits	(201.2)	(168.5)	(8.7)	-	-	3.4	(374.9)
Other operating expenses	(640.3)	(64.8)	(8.4)	-	-	47.1	(666.5)
Total operating expenditure	(917.0)	(266.9)	(17.5)	-	-	52.4	(1,149.0)
Operating surplus before financing, derivatives, realisations and impairments	**234.6**	**433.3**	**(16.8)**	**37.5**	**9.1**	**(1.6)**	**696.1**
Net gain/(loss) on foreign exchange and derivatives	91.9	-	0.1	-	-	(0.1)	91.9
Net realisations, revaluations and impairments	312.1	-	-	-	-	(329.2)	(17.1)
Interest income	21.7	0.3	-	-	-	-	22.0
Interest expense	(165.5)	(23.0)	(0.1)	-	-	(0.2)	(188.8)
Net financing expense	(143.8)	(22.7)	(0.1)	-	-	(0.2)	(166.8)
Net surplus before taxation	**494.8**	**410.6**	**(16.8)**	**37.5**	**9.1**	**(331.1)**	**604.1**
Taxation expense	(41.3)	(1.7)	-	-	-	0.5	(42.5)
Net surplus/(loss) for the year	**453.5**	**408.9**	**(16.8)**	**37.5**	**9.1**	**(330.6)**	**561.6**
Current assets	931.5	47.3	26.7	-	-	170.2	1,175.7
Non-current assets	5,670.6	2,759.5	2.8	441.1	308.8	(170.2)	9,012.6
Current liabilities	1,019.2	70.0	26.0	-	-	70.1	1,185.3
Non-current liabilities	3,040.5	367.8	0.3	-	-	(216.3)	3,192.3
Net assets	2,542.4	2,369.0	3.2	441.1	308.8	146.2	5,810.7
Net debt	2,170.6	262.2	(23.7)	-	-	-	2,409.1
Capital expenditure and investments	355.9	47.6	2.9	266.4	63.5	-	736.3

5 Investments in associates

Investments include:

			Interest held		
Name of entity	Principal Activity	Country/Region	6 months ended 30 September 2023 Unaudited	6 months ended 30 September 2022 Unaudited	Year ended 31 March 2023 Audited
CDC Data Centres	Owner, operator and developer of data centres	Australasia	48.2%	48.1%	48.1%
Fortysouth	Owner, operator and developer of passive mobile towers infrastructure	New Zealand	20.0%	-	20.0%
Galileo	Renewable energy developer	Europe	40.0%	40.0%	40.0%
Kao Data	Owner, operator and developer of data centres	United Kingdom	52.8%	39.9%	39.9%
Longroad Energy	Renewable energy owner, operator and developer	United States	36.6%	40.0%	37.1%
One NZ	Digital services and connectivity provider	New Zealand	99.9%[1]	50.0%	50.0%
RetireAustralia	Owner, operator and developer of retirement villages	Australia	50.0%	50.0%	50.0%

During the 6 months ended 30 September 2023

[1]On 15 June 2023, the Group completed the acquisition for a further 49.95% shareholding in One NZ Limited. In accordance with IFRS 3 - *Business Combinations*, the Group's existing stake was remeasured to fair value with the entire investment subsequently being reclassified as a subsidiary from completion date (see Note 6.1). The table on the next page includes the results of One NZ as an associate until 14 June 2023.

Investments in associates

Movement in the carrying amount of investment

	CDC Data Centres $Millions Unaudited	RetireAustralia $Millions Unaudited	Longroad Energy $Millions Unaudited	One NZ $Millions Unaudited	Galileo $Millions Unaudited	Kao Data $Millions Unaudited	Fortysouth $Millions Unaudited	Total $Millions Unaudited
For the period ended 30 September 2023								
Carrying value at 1 April	1,403.5	410.9	315.9	171.6	53.1	255.7	207.7	2,818.4
Cost of equity	34.8	-	50.3	-	10.8	105.7	-	201.6
Capitalised transaction costs	-	-	-	-	-	-	-	-
Shareholder loan	-	-	-	-	12.2	-	-	12.2
Total cost of acquisition	**34.8**	**-**	**50.3**	**-**	**23.0**	**105.7**	**-**	**213.8**
Interest on shareholder loan (including accruals)	4.3	-	-	3.0	0.2	-	-	7.5
Share of associate's surplus before income tax	109.9	17.2	37.3	(1.4)	5.0	(9.6)	3.2	161.6
Share of associate's income tax (expense)	(36.6)	-	-	(3.5)	(0.3)	-	-	(40.4)
Gain/(loss) on sale of interest	-	-	41.8	-	-	-	-	41.8
Share of associate's share capital issued/purchased, net of dilution	3.4	-	-	-	-	-	-	3.4
Total share of associate's earnings in the period	**81.0**	**17.2**	**79.1**	**(1.9)**	**4.9**	**(9.6)**	**3.2**	**173.9**
Share of associate's other comprehensive income	(1.6)	-	44.0	1.1	0.3	-	-	43.8
Share of associate's other reserves	-	-	(32.1)	-	(0.4)	-	-	(32.5)
less: Distributions received	(14.7)	-	(19.5)	-	-	-	(1.1)	(35.3)
less: Capital returned	-	-	-	-	-	-	-	-
less: Shareholder loan repayments including interest	(1.9)	-	-	-	-	-	-	(1.9)
Foreign exchange movements recognised in other comprehensive income	4.8	2.3	19.7	-	0.9	8.2	-	35.9
Revaluation adjustment of investment to fair value	-	-	-	1,064.5	-	-	-	1,064.5
less: Consideration transferred to business combination	-	-	-	(1,235.3)	-	-	-	(1,235.3)
Carrying value of investment in associate	1,505.9	430.4	457.4	-	81.8	360.0	209.8	3,045.3

Investments in associates

Summary financial information, not adjusted for the percentage ownership held by the Group

	CDC Data Centres A$Millions Unaudited	RetireAustralia A$Millions Unaudited	Longroad Energy US$Millions Unaudited	One NZ $Millions Unaudited	Galileo €Millions Unaudited	Kao Data £Millions Unaudited	Fortysouth $Millions Unaudited
For the period ended 30 September 2023							
Current assets	111.5	197.8	380.1	-	91.0	23.0	26.1
Non-current assets	6,114.2	3,063.4	3,613.9	-	48.7	388.6	2,137.3
Total assets	6,225.7	3,261.2	3,994.0	-	139.7	411.6	2,163.4
Current liabilities	119.5	2,223.9	509.5	-	8.9	84.7	16.6
Non-current liabilities	3,583.2	237.9	1,749.8	-	56.6	67.6	1,099.7
Total liabilities	3,702.7	2,461.8	2,259.3	-	65.5	152.3	1,116.3
Non-controlling interests	-	-	(1,044.4)	-	-	-	-
Net assets	**2,523.0**	**799.4**	**690.3**	**-**	**74.2**	**259.3**	**1,047.1**
Group's share of net assets	1,217.1	399.7	252.7	-	29.7	136.9	209.4
Revenues	192.6	110.3	92.6	-	1.7	26.2	40.9
Net profit after tax	**141.0**	**31.9**	**(14.5)**	**-**	**6.3**	**(7.6)**	**9.4**
Other comprehensive income	(3.2)	-	-	-	-	-	-
Total comprehensive income	137.8	31.9	(14.5)	-	6.3	(7.6)	9.4
Reconciliation of the carrying amount of the Group's investment:							
Group's share of net assets in NZD	1,310.6	430.4	423.5	-	40.2	280.0	209.4
add: Goodwill	17.5	-	33.9	-	-	74.9	-
add: Shareholder loan	177.7	-	-	-	40.7	-	-
add: Capitalised transaction costs	-	-	-	-	0.9	5.1	0.4
Carrying value of investment in associate	**1,505.9**	**430.4**	**457.4**	**-**	**81.8**	**360.0**	**209.8**

Investments in associates

Movement in the carrying amount of investment

	CDC Data Centres $Millions Unaudited	RetireAustralia $Millions Unaudited	Longroad Energy $Millions Unaudited	One NZ $Millions Unaudited	Galileo $Millions Unaudited	Kao Data $Millions Unaudited	Fortysouth $Millions Unaudited	Total $Millions Unaudited
For the period ended 30 September 2022								
Carrying value at 1 April	1,026.3	417.3	90.5	838.2	19.6	203.4	-	2,595.3
Cost of equity	14.1	-	20.9	-	-	5.6	-	40.6
Capitalised transaction costs	-	-	-	-	-	-	-	-
Shareholder loan	-	-	-	-	15.7	-	-	15.7
Total cost of acquisition	**14.1**	**-**	**20.9**	**-**	**15.7**	**5.6**	**-**	**56.3**
Interest on shareholder loan (including accruals)	4.4	-	-	7.2	0.1	-	-	11.7
Share of associate's surplus before income tax	482.8	24.8	(6.7)	6.0	(6.4)	(4.5)	-	496.0
Share of associate's income tax (expense)	(157.9)	-	-	(3.9)	(0.1)	-	-	(161.9)
Gain/(loss) on sale of interest	-	-	-	-	-	-	-	-
add: share of associate's share capital issued/purchased, net of dilution	0.8	-	-	-	-	-	-	0.8
Total share of associate's earnings in the period	**330.1**	**24.8**	**(6.7)**	**9.3**	**(6.4)**	**(4.5)**	**-**	**346.6**
Share of associate's other comprehensive income	(4.2)	0.6	57.5	1.8	(0.1)	-	-	55.6
Share of associate's other reserves	-	-	-	-	-	-	-	-
less: Distributions received	(15.0)	-	(1.4)	(7.5)	-	-	-	(23.9)
less: Capital returned	-	-	-	-	-	-	-	-
less: Shareholder loan repayments including interest	-	-	-	(7.2)	-	-	-	(7.2)
less: Disposals	-	-	-	-	-	-	-	-
Foreign exchange movements recognised in other comprehensive income	64.0	23.5	19.0	-	1.8	6.8	-	115.1
Carrying value of investment in associate	**1,415.3**	**466.2**	**179.8**	**834.6**	**30.6**	**211.3**	**-**	**3,137.8**
less: Group share of net assets held for sale	-	-	-	(308.1)	-	-	-	(308.1)
Carrying value of investment in associate (excluding net assets held for sale)	**1,415.3**	**466.2**	**179.8**	**526.5**	**30.6**	**211.3**	**-**	**2,829.7**

Investments in associates

Summary financial information, not adjusted for the percentage ownership held by the Group

	CDC Data Centres A$Millions Unaudited	RetireAustralia A$Millions Unaudited	Longroad Energy US$Millions Unaudited	One NZ $Millions Unaudited	Galileo €Millions Unaudited	Kao Data £Millions Unaudited	Fortysouth $Millions Unaudited
For the period ended 30 September 2022							
Current assets	90.9	220.7	260.0	1,213.8	11.9	31.4	-
Non-current assets	5,288.3	2,793.1	2,287.8	2,812.3	41.1	269.6	-
Total assets	5,379.2	3,013.8	2,547.8	4,026.1	53.0	301.0	-
Current liabilities	79.5	2,002.0	341.0	1,139.6	4.7	45.0	-
Non-current liabilities	3,068.9	191.0	1,026.0	1,781.2	47.5	66.7	-
Total liabilities	3,148.4	2,193.0	1,367.0	2,920.8	52.2	111.7	-
Non-controlling interests	-	-	(915.6)	-	-	-	-
Net assets	**2,230.8**	**820.8**	**265.2**	**1,105.3**	**0.8**	**189.3**	**-**
Group's share of net assets	1,072.5	410.4	103.2	552.1	0.3	75.5	-
Revenues	160.4	57.0	80.5	989.5	-	19.0	-
Net profit after tax	**610.6**	**44.6**	**(1.8)**	**4.1**	**(12.1)**	**(5.8)**	**-**
Other comprehensive income	(8.6)	-	-	3.6	-	-	-
Total comprehensive income	602.0	44.6	(1.8)	7.7	(12.1)	(5.8)	-
Reconciliation of the carrying amount of the Group's investment:							
Group's share of net assets in NZD	1,218.1	466.2	179.8	552.1	2.3	147.1	-
add: Goodwill	5.7	-	-	-	-	59.0	-
add: Shareholder loan	191.5	-	-	282.3	27.4	-	-
add: Capitalised transaction costs	-	-	-	0.2	0.9	5.2	-
less: Group share of net assets reclassified to held for sale	-	-	-	(308.1)	-	-	-
Carrying value of investment in associate	**1,415.3**	**466.2**	**179.8**	**526.5**	**30.6**	**211.3**	**-**

Investments in associates

Movement in the carrying amount of investment

	CDC Data Centres $Millions Audited	RetireAustralia $Millions Audited	Longroad Energy $Millions Audited	One NZ $Millions Audited	Galileo $Millions Audited	Kao Data $Millions Audited	Fortysouth $Millions Audited	Total $Millions Audited
For the period ended 31 March 2023								
Carrying value at 1 April	1,026.3	417.3	90.5	838.2	19.7	203.4	-	2,595.4
Cost of equity	14.2	-	242.2	-	26.6	21.2	212.1	516.3
Capitalised transaction costs	-	-	-	-	-	-	0.4	0.4
Shareholder loan	-	-	-	-	15.7	-	-	15.7
Total cost of acquisition	**14.2**	**-**	**242.2**	**-**	**42.3**	**21.2**	**212.5**	**532.4**
Interest on shareholder loan (including accruals)	8.8	-	-	15.6	0.2	-	-	24.6
Share of associate's surplus before income tax	574.1	(6.4)	(25.8)	93.0	(11.3)	20.5	(4.8)	639.3
Share of associate's income tax (expense)	(171.8)	2.3	-	95.4	(0.3)	-	-	(74.4)
Gain/(loss) on sale of interest	-	-	63.2	-	-	-	-	63.2
Share of associate's share capital issued/purchased, net of dilution	0.7	-	-	-	-	-	-	0.7
Total share of associate's earnings in the period	**411.8**	**(4.1)**	**37.4**	**204.0**	**(11.4)**	**20.5**	**(4.8)**	**653.4**
Share of associate's other comprehensive income	5.1	-	20.3	0.7	-	-	-	26.1
Share of associate's other reserves	-	-	(74.6)	-	-	-	-	(74.6)
less: Distributions received	(29.5)	-	(7.7)	(107.4)	-	-	-	(144.6)
less: Capital returned	-	-	-	(690.2)	-	-	-	(690.2)
less: Shareholder loan repayments including interest	(7.6)	-	-	(73.6)	-	-	-	(81.2)
less: Disposals	-	-	-	-	-	-	-	-
Foreign exchange movements recognised in other comprehensive income	(16.8)	(2.3)	7.7	-	2.6	10.6	-	1.8
Carrying value of investment in associate	**1,403.5**	**410.9**	**315.8**	**171.7**	**53.2**	**255.7**	**207.7**	**2,818.5**

Investments in associates

Summary financial information, not adjusted for the percentage ownership held by the Group

	CDC Data Centres A$Millions Audited	RetireAustralia A$Millions Audited	Longroad Energy US$Millions Audited	One NZ $Millions Audited	Galileo €Millions Audited	Kao Data £Millions Audited	Fortysouth $Millions Audited
For the year ended 31 March 2023							
Current assets	110.1	189.5	231.6	428.2	51.9	22.4	49.7
Non-current assets	5,762.3	2,871.0	2,916.5	3,090.7	39.7	343.8	1,814.5
Total assets	5,872.4	3,060.5	3,148.1	3,518.9	91.6	366.2	1,864.2
Current liabilities	74.0	2,033.0	412.6	572.7	6.1	61.8	24.1
Non-current liabilities	3,428.1	259.9	1,277.7	2,869.0	48.3	62.4	803.6
Total liabilities	3,502.1	2,292.9	1,690.3	3,441.7	54.4	124.2	827.7
Non-controlling interests	-	-	(977.5)	-	-	-	-
Net assets	**2,370.3**	**767.6**	**480.3**	**77.2**	**37.2**	**242.0**	**1,036.5**
Group's share of net assets	1,139.7	383.8	178.0	36.1	14.9	96.5	207.3
Revenues	345.0	61.0	139.4	1,983.8	(2.3)	44.1	32.1
Net profit after tax	**762.7**	**(7.5)**	**33.0**	**554.9**	**(17.4)**	**26.7**	**(23.8)**
Other comprehensive income	10.7	-	-	1.7	-	-	-
Total comprehensive income	773.4	(7.5)	33.0	556.6	(17.4)	26.7	(23.8)
Reconciliation of the carrying amount of the Group's investment:							
Group's share of net assets in NZD	1,220.3	410.9	283.6	36.1	24.2	190.7	207.3
add: Goodwill	6.2	-	32.2	-	-	59.9	-
add: Shareholder loan	177.0	-	-	224.2	27.9	-	-
add: Capitalised transaction costs	-	-	-	0.2	1.1	5.1	0.4
less: Infratil's share of the gain on sale of Aotearoa Towers Limited	-	-	-	(88.8)	-	-	-
Carrying value of investment in associate	**1,403.5**	**410.9**	**315.8**	**171.7**	**53.2**	**255.7**	**207.7**

6 Acquisition of subsidiaries

6.1 One NZ

On 7 June 2023, Infratil announced that it had reached an agreement with Brookfield Asset Management ('Brookfield'), to acquire Brookfield's 49.95% stake in ICN JV Investments Limited ('One NZ') for $1,800.0 million, increasing Infratil's ownership from 49.95% to 99.90%. The completion of the acquisition occurred on 15 June 2023. The $1,800.0 million was paid in cash and was allocated as $1,572.1 million consideration for the shares, and $227.9 million for Brookfield's portion of the shareholder loan receivable. The transaction completed on 15 June 2023, funded by existing cash reserves, external debt funding, and an equity raise.

Prior to 15 June 2023, Infratil's investment in One NZ was equity accounted under NZ IAS 28 Investments in Associates and Joint Ventures. This was on the basis that Infratil and Brookfield collectively controlled One NZ. As a result of Infratil's increased ownership, Infratil is required to consolidated One NZ from the acquisition date. As Infratil's original stake in One NZ was acquired in May 2019, NZ IFRS 3 Business Combinations requires that the acquisition of Brookfield's 49.95% stake is recognised as an acquisition achieved in stages ('step acquisition').

In a step acquisition, the fair value of the equity accounted investment in One NZ that Infratil held immediately before obtaining control is used in the determination of goodwill that will be recognised by Infratil on acquisition of the controlling share in One NZ. This treatment effectively considers that the 49.95% of the investment in One NZ that was held by Infratil, before obtaining control, is sold, and a 99.90% controlling interest in a subsidiary has been purchased. The fair value of the initial 49.95% has been calculated as $1,235.3 million by discounting the price paid for the controlling interest with observed market control premiums. As of 14 June 2023, the carrying value of Infratil's investment in One NZ was $170.8 million. Comparing the carrying value of Infratil's investment immediately before obtaining control to the fair value results in a gain on acquisition of $1,064.5 million.

NZ IFRS 3 Business Combinations requires that the identifiable assets and liabilities acquired as part of a business combination are measured at fair value at the date of acquisition, with any deficit between the consideration paid (including the previously held equity investment at fair value) and the value of the net identifiable assets (or liabilities) acquired and any non-controlling interest, recognised as goodwill, with any gain recognised through profit & loss.

The acquisition accounting required under NZ IFRS 3 has not been finalised as at 30 September 2023, and therefore the amounts recorded in the financial statements are reported as provisional. This primarily relates to the requirement that the identifiable assets and liabilities acquired as part of a business combination are measured at fair value at the date of acquisition, as well as any other identified intangible assets. An independent valuer has been appointed to perform this exercise. If this exercise identifies any adjustments to the provisional amounts, or if new information obtained within one year of the date of acquisition (about facts and circumstances that existed at the date of acquisition) identifies adjustments to the provisional amounts, or any additional provisions that existed at the date of acquisition are discovered, then the acquisition accounting will be revised. The identifiable assets and liabilities acquired as part of the business combination are summarised on the next page.

The following table summarises the recognised amounts of assets acquired and liabilities assumed at the date of acquisition:

	15 June 2023 Fair Value (Provisional) NZ$Millions
Cash and cash equivalents	24.9
Trade and other accounts receivable and prepayments	303.9
Derivative financial instruments	33.3
Inventories	59.3
Income tax receivable	9.3
Current assets	**430.7**
Trade and other accounts receivable and prepayments	61.8
Property, plant and equipment	851.0
Right of use assets	951.5
Intangible assets	400.0
Investments in associates	20.4
Deferred tax asset	22.1
Non-current assets	**2,306.8**
Total assets	**2,737.5**
Accounts payable, accruals and other liabilities	495.1
Interest bearing loans and borrowings	9.4
Lease liabilities	55.0
Current liabilities	**559.5**
Interest bearing loans and borrowings	1,466.8
Accounts payable, accruals and other liabilities	106.3
Lease liabilities	867.9
Shareholder loan	448.4
Non-current liabilities	**2,889.4**
Total identifiable assets/(liabilities) at fair value 100%	**(711.4)**

Provisional goodwill arising from the acquisition has been recognised as follows:

	15 June 2023 Fair Value (Provisional) NZ$Millions
Cash consideration	1,800.0
add: previously held equity interest (fair value)	1,235.3
add: non-controlling interest (proportionate share)	4.1
Total consideration paid	**3,039.4**
Total identifiable assets/(liabilities) at fair value	(711.4)
add: Shareholder loan	448.4
add: Shareholder loan accrued interest	3.7
Value of the net identifiable assets (or liabilities) acquired	(259.3)
Provisional goodwill	**3,298.7**

For the four months ended 30 September 2023, One NZ contributed revenue of $664.2 million and net profit after tax of $16.2 million. If the acquisition had occurred on 1 April 2023, management estimates that consolidated revenue and net profit after tax would have been $976.6 million and a profit of $6.4 million, respectively. In determining these amounts, management has assumed that the measurement adjustments, determined provisionally, that arose on the date of acquisition would have been the same if the acquisition had occurred on 1 April 2023.

Acquisition costs relating to the transaction of $1.0 million were recognised in the Statement of Comprehensive Income for the 6 months to 30 September 2023.

6.2 Console Connect

On 10 July 2023, Infratil executed a conditional agreement to acquire 80% of Console Connect from Hong Kong Telecommunications ('HKT') for US$160.0 million. Console Connect is leading telecommunications company in Hong Kong. The initial acquisition by Infratil of 80% of Console Connect is step-one of a two-step process, with HKT subsidiary PCCW Global retaining a put option to sell its enterprise and wholesale business to Console Connect as step-two of the process. Step two of the process would involve the issue of shares in Console Connect to HKT in consideration for the acquisition of PCCW's enterprise and wholesale business. At the culmination of this transaction, Infratil would own no less than 60% of the equity of Console Connect.

The Group will fund the acquisition through existing bank loan facilities. Drawdown is contingent on completion of the acquisition. Completion of the acquisition is conditional on telecommunication, foreign investment regulatory approvals and merger approvals in Australia, France, Germany, Greece, Hong Kong, Italy, Japan, Mozambique, the Netherlands, Singapore, South Africa, and the USA. Assuming those approvals are granted, completion is currently expected by Q3 2024. As such the acquisition remains incomplete at the date of signing the accounts.

7 Taxation

	6 months ended 30 September 2023 $Millions Unaudited	6 months ended 30 September 2022 $Millions Unaudited	Year ended 31 March 2023 $Millions Audited
Net surplus before taxation from continuing operations	1,274.7	297.9	604.1
Taxation on the surplus for the period @ 28%	356.9	83.4	169.1
Plus/(less) taxation adjustments:			
Effect of tax rates in foreign jurisdictions	(1.1)	0.3	(0.4)
Net benefit of imputation credits	(2.1)	(3.9)	(8.5)
Exempt dividends	-	(0.6)	-
Timing differences not recognised	1.0	-	(0.6)
Tax losses not recognised/(utilised)	(0.3)	21.5	2.1
Effect of equity accounted earnings of associates	(26.6)	(92.7)	(165.9)
Tax effect of change in corporate tax rate on deferred tax liability	-	(0.1)	-
Recognition of previously unrecognised deferred tax	-	-	25.1
Attributed CFC and FIF income	-	32.0	-
(Over)/Under provision in prior periods	16.7	(1.5)	(22.8)
Net investment realisations	(299.4)	-	0.4
Other permanent differences	14.5	38.8	44.0
Taxation expense	**59.6**	**77.1**	**42.5**
Current taxation	37.4	20.1	50.5
Deferred taxation	22.2	57.0	(8.0)
Tax on discontinued operations	(0.3)	0.4	0.4

The Group operates in various jurisdictions some of which have enacted or substantively enacted tax legislation to implement the Pillar Two Model Rules. However, as the application of the Pillar Two Model Rules in respect of those judications will not apply to the financial reporting period ended 31 March 2024, there is no current tax impact in the period ended 30 September 2023 (30 September 2022: nil, 31 March 2023: nil). The Group has applied a temporary mandatory relief from deferred tax accounting in respect of the Pillar Two Model Rules and will account for it as a current tax arising under the Pillar Tax Model rules when it is incurred (see Note 1).

8 Goodwill

	30 September 2023 $Millions Unaudited	30 September 2022 $Millions Unaudited	31 March 2023 $Millions Audited
Balance at beginning of the year	1,846.1	1,807.2	1,807.2
Goodwill arising on acquisitions	3,298.7	47.0	42.8
Goodwill disposed of during the year	-	-	-
Transfers to disposal group assets classified as held for sale	-	-	-
Effects of movements in exchange rates	3.8	37.1	(3.9)
Balance at the end of the year	**5,148.6**	**1,891.3**	**1,846.1**
The aggregate carrying amounts of goodwill allocated to each cash generating unit are as follows:			
Manawa Energy	61.8	61.9	61.9
Qscan Group	707.7	748.9	703.7
RHCNZ Medical Imaging	1,080.4	1,080.5	1,080.5
One NZ	3,298.7	-	-
	5,148.6	**1,891.3**	**1,846.1**

As outlined in Note 6.1, the acquisition accounting of One NZ is not finalised and therefore the goodwill relating to this business is considered provisional at 30 September 2023.

9 Loans and borrowings

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

	30 September 2023 $Millions Unaudited	30 September 2022 $Millions Unaudited	31 March 2023 $Millions Audited
Current liabilities			
Unsecured bank loans	-	20.0	51.6
Secured bank facilities	38.7	7.1	455.4
less: Loan establishment costs capitalised and amortised over term	(7.3)	(6.1)	(12.4)
	31.4	21.0	494.6
Non-current liabilities			
Unsecured bank loans	733.4	24.6	23.1
Secured bank facilities	2,158.1	735.7	286.9
less: Loan establishment costs capitalised and amortised over term	(16.8)	(14.1)	(4.7)
	2,874.7	746.2	305.3
Facilities utilised at reporting date			
Unsecured bank loans	733.4	44.6	74.6
Unsecured guarantees	-	-	-
Secured bank loans	2,196.8	742.8	742.4
Secured guarantees	5.4	5.2	5.1
Facilities not utilised at reporting date			
Unsecured bank loans	1,326.5	1,276.2	1,233.9
Unsecured guarantees	-	-	-
Secured bank loans	185.0	163.5	140.0
Secured guarantees	-	-	-
Interest bearing loans and borrowings - *current*	31.4	21.0	494.6
Interest bearing loans and borrowings - *non-current*	2,874.7	746.2	305.3
Total interest bearing loans and borrowings	**2,906.1**	**767.2**	**799.9**

	30 September 2023 $Millions Unaudited	30 September 2022 $Millions Unaudited	31 March 2023 $Millions Audited
Maturity profile for bank facilities (excluding secured guarantees):			
Between 0 to 1 year	271.9	297.1	843.0
Between 1 to 2 years	1,647.3	200.1	542.2
Between 2 to 5 years	2,522.5	1,729.9	805.7
Over 5 years	-	-	-
Total bank facilities	**4,441.7**	**2,227.1**	**2,190.9**

Financing arrangements

Wholly owned subsidiaries

Infratil Finance Limited, a wholly owned subsidiary of the Company, has entered into bank facility arrangements with a negative pledge agreement, 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. These facilities are primarily used to fund the corporate and investment activities of the Company. The IGG does not incorporate the underlying assets of the Company's non-wholly owned subsidiaries and associates. The IGG bank 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 2023 there was $635.0 million of drawn debt or accrued interest payable under the IGG facilities (30 September 2022: nil, 31 March 2023: nil) and undrawn IGG facilities totalled $1,010.0 million (30 September 2022: $910.8 million, 31 March 2023: $898.4 million).

Non-wholly owned subsidiaries

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 Manawa Energy's facilities are both subject to negative pledge arrangements, which with limited exceptions does not permit those entities to grant security over their respective assets. One NZ, Qscan Group and RHCNZ Medical Imaging borrow under syndicated bank debt facilities, under which security is granted over their respective assets. 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 operate within defined performance and gearing ratios as is typical of debt facilities of this nature. Throughout the period the Group has complied with all debt covenant requirements as imposed by the respective lenders.

Interest rates

Interest rates payable on bank loan facilities are floating rate 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 4.96% to 9.24% (30 September 2022: 0.56% to 7.04%, 31 March 2023: 1.40% to 8.44%).

10 Infratil Infrastructure bonds

	30 September 2023 $Millions Unaudited	30 September 2022 $Millions Unaudited	31 March 2023 $Millions Audited
Balance at the beginning of the period	1,311.3	1,388.5	1,388.5
Issued during the period	277.2	115.9	115.9
Exchanged during the period	(52.2)	(50.9)	-
Matured during the period	(69.9)	(42.8)	(193.7)
Purchased by Infratil during the period	-	-	-
Bond issue costs capitalised during the period	(2.1)	(1.5)	(1.5)
Bond issue costs amortised during the period	0.9	1.1	2.1
Balance at the end of the period	1,465.2	1,410.3	1,311.3
Current	56.0	221.8	122.0
Non-current	1,177.3	956.6	957.4
Non-current perpetual variable coupon	231.9	231.9	231.9
Balance at the end of the period	1,465.2	1,410.3	1,311.3
Repayment terms and interest rates:			
IFT240 maturing in December 2022, 5.65% p.a. fixed coupon rate	-	100.0	-
IFT210 maturing in September 2023, 5.25% p.a. fixed coupon rate	-	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	100.0
IFT250 maturing in June 2025, 6.15% p.a. fixed coupon rate	43.4	43.4	43.4
IFT300 maturing in March 2026, 3.35% p.a. fixed coupon rate	120.3	120.3	120.3
IFT280 maturing in December 2026, 3.35% p.a. fixed coupon rate	156.3	156.3	156.3
IFT310 maturing in December 2027, 3.60% p.a. fixed coupon rate	102.4	102.4	102.4
IFT270 maturing in December 2028, 4.85% p.a. fixed coupon rate until 15 December 2023	146.2	146.2	146.2
IFT320 maturing in June 2030, 5.93% p.a. fixed coupon rate until 15 June 2026	115.9	115.9	115.9
IFT330 maturing in July 2029, 6.90% p.a. fixed coupon rate	150.0	-	-
IFT340 maturing in March 2031, 7.08% p.a. fixed coupon rate	127.2	-	-
IFTHC maturing in December 2029, 7.89% p.a. variable coupon rate, reset annually from 15 December 2021	123.2	123.2	123.2
IFTHA Perpetual Infratil infrastructure bonds	231.9	231.9	231.9
less: issue costs capitalised and amortised over term	(8.4)	(8.5)	(7.4)
add: issue premium capitalised and amortised over term	0.7	1.0	0.9
Balance at the end of the period	**1,465.2**	**1,410.3**	**1,311.3**

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.

IFTHC bonds

The IFTHC bonds the Company has on issue are at a face value of $1.00 per bond. Interest is payable quarterly on the bonds. The coupon for the IFTHC bonds for the period to (but excluding) 15 December 2023 is fixed at 7.89% per annum (for the period to 15 December 2022 the coupon was 4.19%). Thereafter the rate will be reset annually at 2.50% per annum over the then one year swap rate for quarterly payments.

IFT270 bonds

The interest rate of the IFT270 bonds is fixed at 4.85% for the first five years and then reset on 15 December 2023 for a further five years. The interest rate for the IFT270 bonds for the period to (but excluding) 15 December 2023 until the maturity date will be the sum of the five year swap rate on 15 December 2023 plus a margin of 2.50% per annum.

IFT320 bonds

The interest rate of the IFT320 bonds is fixed at 5.93% for the first four years and will then reset on 15 June 2026 for a further four years. The interest rate for the IFT320 bonds for the period from (but excluding) 15 June 2026 until the maturity date will be the sum of the four year swap rate on 15 June 2026 plus a margin of 2.00% per annum.

Perpetual Infratil infrastructure bonds ('PIIBs')

The Company has 231,916,000 (30 September 2022: 231,916,000, 31 March 2023: 231,916,000) PIIBs on issue at a face value of $1.00 per bond. Interest is payable quarterly on the bonds. On 15 November 2022 the coupon was set at 6.45% per annum until the next reset date, being 15 November 2023 (September 2022: 3.14%, March 2023: 6.45%). Thereafter the rate will be reset annually at 1.50% per annum over the then one year swap 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.

Throughout the period the Company complied with all debt covenants relating to its Bonds on issue.

At 30 September 2023 Infratil Infrastructure bonds (including PIIBs) had a fair value of $1,353.7 million (30 September 2022: $1,314.8 million, 31 March 2023: $1,203.4 million).

11 Financial instruments

11.1 Fair values

Financial assets and financial liabilities are measured at their fair value, with the exception of bond debt and senior notes which are measured at amortised cost. The bond debt and senior notes have a fair value at 30 September 2023 of $2,331.4 million (30 September 2022: $2,386.4 million, 31 March 2023: $2,264.1 million) compared to an amortised cost value of $2,463.1 million (30 September 2022: $2,493.4 million, 31 March 2023: $2,383.7 million).

11.2 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 in 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 5.51% to 6.25% (30 September 2022: 3.3% to 3.5%, 31 March 2023: 3.1% to 6.1%)

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.

1.1.3 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 2023	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	-	-	204.8	204.8
Derivative financial instruments - cross currency interest rate swaps	-	7.1	-	7.1
Derivative financial instruments - foreign exchange	-	16.7	-	16.7
Derivative financial instruments - interest rate	-	142.3	-	142.3
Total	**-**	**166.1**	**204.8**	**370.9**
Liabilities per the statement of financial position				
Derivative financial instruments - energy	-	-	69.9	69.9
Derivative financial instruments - cross currency interest rate swaps	-	-	-	-
Derivative financial instruments - foreign exchange	-	0.1	-	0.1
Derivative financial instruments - interest rate	-	19.7	-	19.7
Total	**-**	**19.8**	**69.9**	**89.7**

30 September 2022	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	-	-	145.1	145.1
Derivative financial instruments - cross currency interest rate swaps	-	16.5	-	16.5
Derivative financial instruments - foreign exchange	-	-	-	-
Derivative financial instruments - interest rate	-	85.0	-	85.0
Total	**-**	**101.5**	**145.1**	**246.6**
Liabilities per the statement of financial position				
Derivative financial instruments - energy	-	-	163.3	163.3
Derivative financial instruments - cross currency interest rate swaps	-	-	-	-
Derivative financial instruments - foreign exchange	-	0.6	-	0.6
Derivative financial instruments - interest rate	-	16.0	-	16.0
Total	**-**	**16.6**	**163.3**	**179.9**

31 March 2023	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	-	-	155.5	155.5
Derivative financial instruments - cross currency interest rate swaps	-	6.9	-	6.9
Derivative financial instruments - foreign exchange	-	3.3	-	3.3
Derivative financial instruments - interest rate	-	66.5	-	66.5
Total	**-**	**76.7**	**155.5**	**232.2**
Liabilities per the statement of financial position				
Derivative financial instruments - energy	-	-	92.9	92.9
Derivative financial instruments - cross currency interest rate swaps	-	-	-	-
Derivative financial instruments - foreign exchange	-	0.6	-	0.6
Derivative financial instruments - interest rate	-	23.0	-	23.0
Total	**-**	**23.6**	**92.9**	**116.5**

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 2023 (30 September 2022: none, 31 March 2023: none).

11.4 Energy derivatives

Energy Price Risk is the risk that financial performance will be impacted by fluctuations in spot energy prices. 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 energy hedge contract to reduce the energy price risk from price fluctuations. This hedge contract establishes 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. The Group has elected to apply cash flow hedge accounting to those instruments it deems material and which qualify as a cash flow hedge.

At the time of the sale of the Trustpower Retail business to Mercury Energy ('Mercury'), Mercury and Manawa signed a pre-agreed electricity price contract for differences, under which Manawa will supply electricity to Mercury. Manawa and Mercury entered into this electricity price derivative on 2 May 2022, which on day 1 had a negative value of $521.8 million which was deferred as per NZ IFRS 9.

During the current period $77.6 million (cumulative to date: $199.7 million) of the deferred day 1 value has been recognised through wholesale electricity revenue as the calibrated CFD cash flows have been realised throughout the period. These CFD cash settlements have reduced the impact of changes in wholesale electricity prices on Manawa Energy's revenue. A current period fair value gain of $54.9 million (September 2022: $7.2 million) has been recognised with $52.5 million (September 2022: $7.2 million) taken to the cash flow hedge reserve and $2.4 million (September 2022: nil) taken to net fair value gains on derivatives. The fair value of this electricity price derivative at 30 September 2023 is $152.3 million (31 March 2023: $97.4 million) with a cumulative amount of $80.3 million taken to the cashflow hedge reserve.

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 2023 $Millions Unaudited	6 months ended 30 September 2022 $Millions Unaudited	Year ended 31 March 2023 $Millions Audited
Profit and loss			
10% increase in energy forward prices	(7.1)	(3.6)	(12.2)
10% decrease in energy forward prices	7.1	58.5	12.2
Other comprehensive income			
10% increase in energy forward prices	(80.8)	(112.9)	(104.4)
10% decrease in energy forward prices	80.8	112.9	104.4

The following table reconciles the movements in level 3 Electricity price derivatives that 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.

	6 months ended 30 September 2023 $Millions Unaudited	6 months ended 30 September 2022 $Millions Unaudited	Year ended 31 March 2023 $Millions Audited
Assets per the statement of financial position			
Opening balance	155.5	106.2	106.2
Foreign exchange movement on opening balance	-	-	-
Acquired as part of business combination	-	-	-
Gains and (losses) recognised in profit or loss	(5.6)	45.1	(48.1)
Gains and (losses) recognised in other comprehensive income	54.9	(6.2)	97.4
Transfer to assets held for sale	-	-	-
Closing balance	204.8	145.1	155.5
Total gains or (losses) for the period included in profit or loss for assets held at the end of the reporting period	66.8	58.7	63.0
Liabilities per the statement of financial position			
Opening balance	92.9	103.2	103.2
Foreign exchange movement on opening balance	-	-	-
Acquired as part of business combination	-	-	-
(Gains) and losses recognised in profit or loss	(23.1)	60.1	(10.3)
(Gains) and losses recognised in other comprehensive income	-	-	-
Transfer to liabilities held for sale	-	-	-
Closing balance	69.8	163.3	92.9
Total gains or (losses) for the period included in profit or loss for liabilities held at the end of the reporting period	10.7	(13.5)	87.9
Settlements during the period	(35.3)	(17.6)	(11.2)

12 Reconciliation of net surplus with cash flow from operating activities

	6 months ended 30 September 2023 $Millions Unaudited	6 months ended 30 September 2022 $Millions Unaudited	Year ended 31 March 2023 $Millions Audited
Net surplus for the period	1,214.5	557.3	891.7
Items classified as investing activity:			
(Gain)/Loss on investment realisations, impairments and disposals of discontinued operations	(1,059.5)	(415.4)	(328.7)
Trade Payables relating to investing activities	0.2	-	0.7
Items not involving cash flows:			
Movement in financial derivatives taken to the profit or loss	(48.9)	(52.0)	(91.5)
Decrease in deferred tax liability excluding transfers to reserves	27.6	33.2	(14.6)
Changes in fair value of investment properties	2.6	(0.1)	4.3
Equity accounted earnings of associates net of distributions received	(136.2)	(315.8)	(486.1)
Depreciation	178.8	50.6	102.2
Movement in provision for bad debts	2.7	0.4	-
Amortisation of intangibles	2.3	2.8	5.8
Other	9.2	8.7	(8.7)
Movements in working capital:			
Change in receivables	12.9	108.9	(25.8)
Change in inventories	4.7	-	(0.1)
Change in trade payables	2.6	(69.9)	27.1
Change in accruals and other liabilities	(50.8)	(144.0)	(99.3)
Change in current and deferred taxation	3.7	0.7	8.6
Net cash flow from operating activities	**166.4**	**(234.6)**	**(14.4)**

13 Capital commitments

	6 months ended 30 September 2023 $Millions Unaudited	6 months ended 30 September 2022 $Millions Unaudited	Year ended 31 March 2023 $Millions Audited
Committed but not contracted for	84.4	149.7	135.5
Contracted but not provided for	229.8	52.3	32.8
Capital commitments	314.2	202.0	168.3

Group capital commitments are primarily associated with RHCNZ Medical Imaging's capital expenditure in relation to completion costs for new branches, branch expansion and the purchase of various new and replacement machinery, One NZ's open capital expenditure purchase orders and committed spend for Spectrum, and Wellington Airport's new fire station.

14 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'). Jason Boyes is a director and Chief Executive of Infratil. Entities associated with Mr Boyes have a beneficial interest in MCO.

The passive mobile tower assets sold by One NZ to Fortysouth during the year-ended 31 March 2023 have been leased back to One NZ as part of the 20-year Master Services Agreement. Following the One NZ acquisition (Note 6.1), the right-of-use asset and lease liability attributable to agreements with Fortysouth are held on the Balance Sheet at $753.3 million and $762.0 million, respectively. Additionally, Interest expense was $20.6 million and right-of-use asset depreciation was $13.2 million for the 4 months to 30 September 23 within the Statement of Comprehensive Income. The Group's share of the operating revenue for Fortysouth is included within share of associate earnings line in the Statement of Comprehensive Income. Infratil has deemed that any unrealised gains or losses for transactions between One NZ and Fortysouth are not material and will not be eliminated.

There are other related party transactions between companies within the Group. These are carried out in the ordinary course of business at the appropriate market rate. The arrangements are not deemed material for separate disclosure.

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

	Note	6 months ended 30 September 2023 $Millions Unaudited	6 months ended 30 September 2022 $Millions Unaudited	Year ended 31 March 2023 $Millions Audited
Management fees	15	78.4	155.1	232.9
Executive secondment and consulting		0.1	0.4	1.0
Directors fees		1.5	1.0	2.8
Financial management, accounting, treasury, compliance and administrative services		0.8	0.9	1.9
Risk management reporting		-	-	-
Total management and other fees		**80.8**	**157.4**	**238.6**

At 30 September 2023 amounts owing to MCIM of $8.9 million (excluding GST) are included in trade creditors (30 September 2022: $6.4 million, 31 March 2023: $5.7 million).

15 Management fees paid under the Management Agreement with Morrison & Co Infrastructure Management Limited

The day-to-day management responsibilities of the Company have been delegated to Morrison & Co Infrastructure Management Limited ('MCIM') under a Management Agreement. The Management Agreement specifies the duties and powers of MCIM, and the management fees payable to MCIM for delivering those services. These include a New Zealand Portfolio Management Fee, International Portfolio Management Fee and International Portfolio Incentive Fees.

Management fees paid under the Management Agreement during the period were:

	6 months ended 30 September 2023 $Millions Unaudited	6 months ended 30 September 2022 $Millions Unaudited	Year ended 31 March 2023 $Millions Audited
New Zealand & International Portfolio Management Fees	41.1	30.9	63.3
International Portfolio Incentive Fees	37.3	124.2	169.6
	78.4	**155.1**	**232.9**

International Portfolio Incentive Fees

International Investments 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.

To the extent that there are assets that meet these criterion, independent valuations are performed on the respective International Investments to determine whether any Incentive Fees are payable.

International Portfolio Initial Incentive Fee

The Company's investments in Kao Data and Gurīn Energy are eligible for the International Portfolio Initial Incentive Fee assessment as at 31 March 2024 (31 March 2023: Qscan Group). No International Portfolio Initial Incentive Fee has been accrued as at 30 September 2023.

International Portfolio Annual Incentive Fee

The Company's investments in CDC Data Centres, Galileo, Longroad Energy, RetireAustralia and Qscan Group are eligible for the International Portfolio Annual Incentive fee assessment as at 31 March 2024 (31 March 2023: CDC Data Centres, Galileo, Longroad Energy, RetireAustralia).

As at 30 September 2023, it is probable that Infratil will have an International Portfolio Annual Incentive Fee (for the year to 31 March 2024) due to MCIM based on the performance of the above portfolio of assets, and as a result an amount of $37.3 million has been provided for as at 30 September 2023 (30 September 2022: $124.2 million, 31 March 2023: $169.6 million).

International Portfolio incentive fees

	6 months ended 30 September 2023 $Millions Unaudited	6 months ended 30 September 2022 $Millions Unaudited	Year ended 31 March 2023 $Millions Audited
CDC Data Centres	52.4	(7.4)	38.6
Galileo Green Energy	3.9	(0.1)	(0.5)
Longroad Energy	(6.6)	132.0	136.7
RetireAustralia	(10.1)	(0.3)	(5.2)
Qscan Group	(2.3)	-	-
	37.3	**124.2**	**169.6**

Payment of Annual Incentive Fees

Any Annual Incentive Fee calculated in respect of a Financial Year is earned and paid in three annual instalments, with the second and third instalments being scaled down if the fair value of the relevant asset (including distributions, if any) is less than fair value or cost as at the 31 March for which the Incentive Fee was first calculated.

International Portfolio Realised Incentive Fee

There were no divestments of the Company's investment during the period to 30 September 2023 that resulted in an accrual of a realised incentive fee (30 September 2022: nil, 31 March 2023: nil).

More detail on how Management fees are calculated is included in Infratil's Annual Report.

16 Contingent liabilities and legal matters

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.

17 Events after balance date

Dividend

On 15 November 2023, the Directors approved a partially imputed interim dividend of 7.00 cents per share to holders of fully paid ordinary shares to be paid on 19 December 2023.

Independent Review Report

To the shareholders of Infratil Limited

Report on the interim consolidated financial statements

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim consolidated financial statements on pages 9 to 45 do not:

i. present, in all material respects the Group's financial position as at 30 September 2023 and its financial performance and cash flows for the 6 month period ended on that date in compliance with NZ IAS 34 Interim Financial Reporting.

We have completed a review of the accompanying interim consolidated financial statements which comprise:

- the consolidated statement of financial position as at 30 September 2023;
- 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 interim consolidated 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 advisory services for a Māori culture capability assessment, climate related assurance, 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 interim financial statements

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

- the preparation and fair presentation of the interim consolidated financial statements in accordance with NZ IAS 34 Interim Financial Reporting;
- implementing necessary internal control to enable the preparation of a interim consolidated financial statements that is 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 interim financial statements

Our responsibility is to express a conclusion on the interim 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 interim consolidated 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 interim consolidated financial statements.

This description forms part of our Independent Review Report.

KPMG

KPMG
Wellington

15 November 2023

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