



Infinis Holdings half year review to 30 September 2009

Summary

In the six months under review, Infinis Holdings (Infinis) made a robust start toward meeting its operating and strategic objectives for the year. During the period, Infinis plc (formerly Infinis Limited) was our major trading subsidiary. Despite the significant drop in power prices, Infinis plc continued to benefit from locked in power contracts while maintaining a tight control on spending. Infinis plc's generated output was up by 3.9% over the same period in 2008. Planning applications for two wind projects (total of 60MW) were submitted by Infinis plc in the period.

Landfill gas

Investment in generation capacity, systems, training, processes and people enabled Infinis plc to increase output by 3.9 % over the same period in 2008. Through redeployment of underutilised engines and engines in reserve, Infinis plc installed a total capacity of 17.9MW in the 12 month period to 30 September 2009 with several more MW in the pipeline. The reliability of Infinis plc's output has continued to increase as a result of investments in systems and people at its Logistics Centre in Northampton, from where it controls activity on all sites in its portfolio. One such system is Maximo which enables rigorous planning of periodic maintenance activities, the allocation of appropriate resource and the automatic re-ordering of spare parts. Finally, a new engine maintenance manual was introduced to ensure adherence to best practice across Infinis plc's 262 installed engines.

While ongoing investment in hardware, systems and processes are a pre-requisite to delivering Infinis' objectives, it cannot be emphasised enough how Infinis plc thrives on the extraordinary dedication of its employees and their willingness to go the extra mile in often challenging operating environments.



Allerton Park landfill gas extraction and power generation compound

Onshore Wind

After obtaining a conditional consent for a 27MW wind farm on the landfill site of Greengairs in Scotland in 2008, Infinis plc's Wind team submitted planning applications for sites at Burnhead and Westfield for a total of 60MW during the reported period. The team is reviewing a rich pipeline of green field sites and acquisition opportunities. Infinis plc is constantly discussing partnership opportunities with successful third party wind development teams who struggle to secure funding in the current economic environment.

Corporate responsibility

Corporate responsibility is at the heart of how Infinis plc runs its business and the highest priority is the safety of its employees and anyone else who may be impacted by its work. The Accident Frequency Rate (AFR) has been steadily driven down to historically low levels for the 12-month rolling average at the end of September (AFR=0.5), well below the average for waste companies and utilities. There has been a continued focus on near-miss reporting, in order to learn lessons and prevent accidents from happening.

Power prices

The period witnessed a significant drop in wholesale power prices, driven by lower oil prices and reduced demand for electricity in the UK. The bulk of Infinis plc's generated electricity was already contracted forward for the coming two years (ROC output) and beyond (NFFO output) and was largely unaffected by the current pricing environment. A fraction of its output, largely related to new LFG developments and contract migrations from NFFO to ROC becoming effective during the period under review, were traded at current prevailing prices. However, the

latter were partially offset by the sale of associated ROCs as a result of the migration from the less favourable NFFO contract regime. Infinis plc will wait for power markets to regain momentum before locking pricing for this extra output over a longer period of time.



Gas de-watering and filtration plant for Brogborough phase V landfill gas generators



The Infinis Energy Challenge saw 17 schools in the Northamptonshire area working closely with Infinis volunteers to develop creative ways to save energy

Management team

Alan Lovell, Infinis plc's Chief Executive since its de-merger from Waste Recycling Group (WRG) in 2006, decided to leave the business with effect from 31 July 2009 in order to pursue a portfolio of other interests outside Infinis plc. We thank Alan for his contribution to the development of Infinis as a leading renewable energy business and wish him good luck with his future plans. As of 1 August 2009, Eric Machiels took over as Chief Executive Officer of Infinis plc.

Recent events

1. Novera Energy Plc update

At the end of the period under review, Infinis Energy Limited held 29.6% of Novera Energy's equity. Novera manages an attractive portfolio of landfill gas, wind and hydro assets which offers a strategic consolidation opportunity to Infinis. In October, Infinis Energy Limited announced a public takeover offer for Novera which was recommended by the Novera board at the end of November. As of 18 December 2009, Infinis Energy Limited controlled approximately 88.5% of Novera's issued share capital. We are looking forward to joining forces with Novera to consolidate Infinis' position as one of the leading renewable electricity generators in the UK.

2. Issue of high yield bond

Since the end of the period, Infinis plc has issued a £275million high yield bond (Issue). The proceeds of the Issue have been used to repay Infinis plc's syndicated loan facility and some shareholder and related-party indebtedness. The proceeds of the Issue will further enable Infinis to invest in new wind farm opportunities.

Outlook

Infinis plc has largely secured its revenue line for the next two years. Its landfill gas business is strongly cash generative, enabling it to further invest in capacity, systems, processes and its people. Despite the uncertain times, the acquisition of Novera and a share of the proceeds from the Issue give Infinis the opportunity to further develop a significant wind business and to continue to play a leading role in the renewable energy sector in the UK.

Quentin Stewart
Director
Infinis Holdings
24 December 2009



Novera's Lissett Airfield Wind Farm,
30MW, East Riding of Yorkshire



Brogborough landfill gas power generation
facility which has an installed capacity of
29MW