



£350,000,000 7% Senior Notes due 2019 Annual Results Announcement

Infinis plc (the “issuer”), a subsidiary of Infinis Energy plc, announces its results for the year ended 31 March 2014

Key Highlights

- Revenue up 12.2% at £171.2m (flat on an underlying basis¹)
- EBITDA up 8.5% at £99.4m (up 1.1% from £97.9m to £99.0m on an underlying basis¹)

Revenue for the year ended 31 March 2014 increased by £18.6m (12.2%) to £171.2m from £152.6m in the previous year. On an underlying¹ basis revenue was flat year-on-year (£170.7m in 2014 and £171m in 2013)

EBITDA increased by £7.8m (8.5%) to £99.4m. On an underlying basis EBITDA² increased by £1.4m (1.1%) to £99.4m from £98.0m in the previous year.

The transition from NFFO to RO contracts continued in the year with the proportion of sales under RO contracts increasing from 72% in 2013 to 77% in 2014 for the LFG business as a whole.

Underlying¹ average selling price (ASP) increased by £3.62/MWh (4.4%) from £81.64/MWh to £85.26/MWh.

	Year ended 31 March 2014	Year ended 31 March 2013
Underlying ¹ ASP	£85.26/MWh	£81.64/MWh
Statutory ASP ³ (Pro forma ³ ASP)	£85.53/MWh (£85.53/MWh)	£86.37/MWh (£83.48)

Statutory³ average selling price (“ASP”) was down slightly (£0.84/MWh or 1.0%) at £85.53/MWh. Assuming a full contribution from the Novera LFG business for year ended 31 March 2013, our pro forma³ ASP increased by £2.05/MWh (2.5%) from £83.48/MWh.

Output increased by 255 GWh to 1,871 GWh on a statutory³ basis. On a pro forma³ basis output declined by 84 GWh (4.3%) from 1,955 GWh. Output in the year ended 31 March 2014 was broadly in line with management expectations.

Capital expenditure during the year was £19.2m and included £2.4m for redeployment of engines to match engine size to available gas.

Cash at 31 March 2014 was £46.0m and net debt / last 12 months’ EBITDA was 3.1x.

Dividends of £28.8m were paid to our shareholder during the course of the year. Following the approval of the board of directors of Infinis plc, and after taking account of our working capital requirements and our available distributable reserves, we paid a further dividend of £8,450,000 on 10 June 2014 to IEHL. Additional distributions may be made subject to meeting the consolidated net income and/or leverage tests as described in the Offering Memorandum.

Notes:

1. The Novera LFG business was acquired on 15 February 2013. To allow meaningful year-on-year comparisons we have also calculated underlying results based on pro forma results to reflect the acquisition of the Novera business (see Note 3 below) and to reflect the impact of two material items. Our 2013 result benefited from a settlement with Ofgem regarding two of our sites (Candles and Welbeck) which resulted in £7.8m of prior year revenue (£6.7m EBITDA) being recognised in the period. In addition, both 2014 and 2013 revenues included recycled ROC amounts relating to prior periods following Ofgem's announcement of recycled ROC payments. The ROC recycled price for the compliance period April 1, 2012 to March 31, 2013 (CP11) was announced in September 2013 at a price higher than we had accrued in our results for the year ended March 31, 2013 which gave rise to an additional £0.5m of ROC recycled revenue being recognised in the financial results for the year ended March 31, 2014 and which related to the previous year. The ROC recycled price for the compliance period April 1, 2011 to March 31, 2012 (CP10) was announced in September 2012 at a price lower than we had accrued in our results for the year ended March 31, 2012 which gave rise to a negative adjustment of £3.7 million to our results for the year ended March 31, 2013. Underlying revenues for 2014 and 2013 were £170.7m and £171.0m respectively after adjusting for these items, a reduction of 0.2%.
2. EBITDA for the year ended 31 March 2013 excludes £1.6m of non-capitalised refinancing and restructuring costs in relation to the £350m bond issued in February 2013 and associated corporate reorganisation.
3. On 15 February 2013 Infinis plc issued £350m 7.0% Senior Notes with a maturity date of 15 February 2019. Proceeds were used to prepay the £275m 9.125% Senior Notes due to mature in December 2014, make distributions to our shareholder and to part-fund the acquisition of the Novera LFG business (40 landfill gas sites with an installed capacity of 71MW owned by Novera Energy, a sister subsidiary of our shareholder). Our statutory results consolidate the results of operations from the Novera LFG business from 15 February 2013. Unaudited pro forma consolidated financial and operational data and statistics have also been prepared for the year ending 31 March 2014 as if the Novera LFG business was part of Infinis plc throughout that period.

An investor conference call will be held today, 19 June 2014, at 14.00hrs BST.

Dial in details for this call are: +44 (0) 1452 555566

Conference ID: 24549568

