

16 February 2015

## **INFINIS ENERGY PLC (Symbol: INFI)**

### **Q3 Trading Statement**

Infinis Energy plc (“Infinis” or the “Group”) publishes its Q3 trading statement for the period 1 October 2014 to the date of this announcement (the “Period”). Infinis also announces that its landfill gas subsidiary Infinis plc<sup>(1)</sup> released today its third quarter financial results as required under the terms of its publicly traded bond. A summary of Infinis plc’s results have been included at the end of this statement.

#### **Group operating and financial performance**

We have delivered a solid operational performance over the Period. Our landfill gas (“LFG”) business has continued to perform ahead of management expectations and wind speeds in recent months have been higher than in the first half of the financial year.

#### ***Landfill Gas***

LFG has continued to deliver strong output across the portfolio and reliability levels have been good. We exported 1,391 GWh in the nine months to 31 December 2014 compared to 1,413 GWh in the nine months to 31 December 2013. This equates to a decline in exported power of 1.6% which was ahead of management expectations. We have continued to make good progress on NFFO to RO conversions. The proportion of electricity exported under the RO regime for the nine months to 31 December 2014 was 89% compared to 76% for the comparative period in 2013. The total average selling price (“ASP”)<sup>(2)</sup> for the nine months to 31 December 2014 was £90.24/MWh, an increase of £4.32/MWh on the comparative period.

#### ***Onshore Wind***

Our onshore wind business exported 400 GWh in the nine months to 31 December 2014, all under the RO regime. This was approximately 80 GWh lower than the comparative period. On a rolling 12 month period to 31 January 2015 wind output was in line with long term average (P50) wind conditions. The availability of our wind farms was 97% for the Period. The wind ASP for the nine month period to December 2014 was £87.57/MWh compared to £93.41/MWh in the comparative period to December 2013. The decrease in ASP in the wind business was predominantly due to lower day ahead wholesale power prices.

#### ***Hydro disposal***

We announced in December 2014 the disposal of the Hydro portfolio to two purchasers Dwr Cymru Welsh Water and H2O Power Limited. The Hydro disposal completed on 3 February 2015 for cash proceeds of £20.5 million. The Hydro proceeds will be reinvested to further develop our wind development pipeline.

#### **Onshore wind construction and development activities**

We are pleased to report that construction of the A’Chruach wind farm (43MW) is progressing according to plan. The main site area is under construction and the access roads to site are being strengthened to deal with the transporters that will deliver the wind turbines and towers to site.

Pre-construction work on the Galawhistle project (55MW) continues on schedule with turbine and balance of plant procurement underway.

We also continue to make steady progress on the development pipeline and remain on track to achieve our target of delivering 130-150MW by March 2017.

### Financial position

Cash and cash equivalents stood at £65.5 million as at 31 December 2014 and net debt at the same date was £554.3 million.

### Contracted position

The Group continues to lock in power prices through forward contracts in the LFG business in line with our forward contracting strategy. Our contracted position as at 31 January 2015 is summarised in the table below. Winter 14 corresponds with the second half of our financial year ending 31 March 2015, Summer 15 and Winter 15 corresponds with our financial year ending 31 March 2016.

Contracted position (LFG)	Winter 14		Summer 15		Winter 15	
	% of expected output	ASP (£/MWh)	% of expected output	ASP (£/MWh)	% of expected output	ASP (£/MWh)
NFFO sales (fixed price)	7%	£42.86	7%	£43.42	6%	£43.40
RO sales (power only)						
- contracted at fixed prices	88%	£51.40	74%	£48.23	70%	£52.18
- contracted at prices yet to fix	5%	-	16%	-	18%	-
- uncontracted	0%	-	3%	-	6%	-
<b>Total<sup>1</sup></b>	<b>100%</b>	<b>-</b>	<b>100%</b>	<b>-</b>	<b>100%</b>	<b>-</b>

<sup>1</sup> The Group also benefits from the sale of ROCs, LECs and income from embedded benefits.

The onshore wind business continues to operate under long term PPAs with power prices set predominantly at fixed discounts on a day-ahead basis.

## Outlook

At the time of our interim results we noted the weakness in the oil price and the effect this may have on wholesale power prices. In the Period following our results we have continued to see further oil price weakness which has seen corresponding weakness in gas and wholesale power prices. Nevertheless, while we continue to monitor movements in the power market, management remains confident that the Group's current trading remains in line with our expectations for the full year.

We continue to contract forward in line with our contracting strategy and remain committed to our dividend and growth strategy.

An analyst conference call will be held today, Monday 16<sup>th</sup> February at 08:00 (GMT).

Dial in details for the call are: +44 (0) 1452 555566 Participant code 68269509

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Note to Editors:

Infinis also announces that its landfill gas subsidiary Infinis plc<sup>(1)</sup> released today its third quarter financial results as required under the terms of its publicly traded bond. A summary is presented below:

£'millions	Nine months ended 31 December 2014	Nine months ended 31 December 2013
Revenue	129.9	125.7
EBITDA	73.2	72.6

For more details please refer to the full set of results published by Infinis plc available at [www.infinis.com](http://www.infinis.com) clicking on Investors and Senior notes information.

<sup>(1)</sup> Infinis plc is the wholly-owned landfill gas business of Infinis Energy plc. It is funded with £350m of Senior Notes due 2019 listed on the Luxembourg stock exchange. The Infinis plc results are released in line with the reporting requirements of the Luxembourg stock exchange and bond indenture and are available on Infinis Energy plc's website

<sup>(2)</sup> ASP is defined as NFFO and ROC revenue recognised in the period divided by exported power

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