



£350 million 7% Senior Notes due 2019 Quarterly Results Announcement

Infinis plc (the “issuer”), an indirectly wholly owned subsidiary of Infinis Energy Limited, announces its results for the quarter ended 30 June 2016

Operationally the business has performed strongly, with 96.9% engine reliability and Mean Time Between Breakdowns (MTBB) increasing to 237 hours (FY16 Q1: 191 hours). Strong operational performance and tight cost control resulted in EBITDA margin for the quarter ended 30 June 2016 of 55.4%, up from 54.4% in quarter ended 30 June 2015.

Cash increased by £27.6m in the period closing at £64.4m, £3.4m ahead of the same period as last year.

EBITDA for the quarter ended 30 June 2016 of £20.3m, down by £2.6m against £22.9m for the quarter ended 30 June 2015.

	Quarter ended 30 June 2016	Quarter ended 30 June 2015
Output in GWh	404.7	434.5
Underlying Average Selling Price ^{1,2}	£90.43/MWh	£90.16/MWh
Reported Average Selling Price ^{1,2}	£90.43/MWh	£96.82/MWh
EBITDA margin %	55.4%	54.4%

Revenue for the quarter ended 30 June 2016 was £36.6m compared with £42.1m for the quarter ended 30 June 2015. EBITDA for the quarter ended 30 June 2016 was £20.3m compared with £22.9m for the quarter ended 30 June 2015.

The transition from NFFO to RO contracts continued in the period with the proportion of exported power sold under RO contracts increasing from 93% in the quarter ended 30 June 2015 to 96.8% in the quarter ended 30 June 2016. As at 30 June 2016 we have a total of four active contracts under the NFFO regime.

Exported generation in the quarter was 404.7 GWh compared with 434.5 GWh in the same quarter last year. The reduction of 29.8GWh (6.9%) was due to a combination of the natural decline in landfill gas, drier weather conditions.

Reported average selling price decreased by £6.39 / MWh (6.6%) from £96.82/MWh to £90.43/MWh. The majority of this decrease came from the removal of LECs (£4.72/MWh).

Capital expenditure

Capital expenditure on plant and equipment during the quarter was £2.6m (2016 Q1: £3.3m).

Operating cost management

Cost control and targeted capacity reductions led to operating costs reducing from £10.1m to £8.2m, £0.8m of this reduction was due to one-offs credits in the period. Our aspiration to keep real costs / MWh flat has been achieved; operating costs per MWh (excluding overheads) decreased to £20.19/MWh from £23.31 / MWh.

Cash and net debt / EBITDA

Cash at 30 June 2016 was £64.4m (2016 Q1:£61m). Net debt/last 12 months' EBITDA was 3.1x (2016 Q1:3.0x).

Dividends

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 dividend of £4.481 million on 22 August 2016 to IEHL. The dividend is based upon the 50% consolidated net income provision and application of the net leverage test as defined in the Offering Memorandum.

Note:

1. Revenue recognised in the period includes an accrual in respect of the recycled element of the ROC price which we expect to receive for eligible generation and is therefore included in the Reported Average Selling Price. The actual amount due is not normally known until six months after the end of the financial year and, to the extent that the payment is different from our estimates, will result in an increase or decrease in revenue recognised in the current period, which relates to a prior period, once the actual becomes known or a revised estimate of the expected amount is made. Underlying Average Selling Price removes this revenue stream for FY16 Q1.
2. The removal of the exemption from the Climate Change Levy for renewable generation from August 2015 adversely affected our revenue in the quarter to June 30, 2016 compared to the previous year. Underlying Average Selling Price therefore removes this revenue stream for FY16 Q1.

An investor conference call will be held today, 25 August 2016, at 14:00hrs BST.

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

Conference ID: 55181505

