Management Discussion and Analysis of Financial and Operational Performance for the six months ended 31 December 2014

25 February 2015

All amounts in this report relate to businesses of the Infigen Energy Group (“Infigen” or “the Group”), being Infigen Energy Limited (“IEL”), Infigen Energy Trust (“IET”) and Infigen Energy (Bermuda) Limited (“IEBL”) and the subsidiary entities of IEL and IET, for the six months ended 31 December 2014 compared with the six months ended 31 December 2013 (“prior period” or “prior corresponding period”) except where otherwise stated.

As required by the International Financial Reporting Standards (IFRS), Infigen consolidates 100% of all controlled entities within its result. Infigen also accounts for seven of its US joint ventures using the equity method.

The financial and operational results discussed in this document refer to Infigen’s economic interest unless specifically marked otherwise and therefore minority interests within individual components have been eliminated consistently. All references to $ are a reference to Australian dollars unless specifically marked otherwise. Individual items and totals are rounded to the nearest appropriate number or decimal. Some totals may not add down the column due to rounding of individual components. Period on period changes on a percentage basis are presented as favourable (positive) or unfavourable (negative). Period on period changes to items measured on a percentage basis are presented as percentage point changes (“ppts”).

No representation, warranty or other assurance is made or given by, or on behalf of, Infigen that any projection, forecast, forward-looking statement, assumption or estimate contained in this presentation should or will be achieved.

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1 Statutory Result

1.1 Statutory Profit

Infigen reported a Statutory Profit for the six months to 31 December 2014 of $1.6 million. This was a favourable movement of $16.9 million compared with a Statutory Loss of $15.3 million in the prior corresponding period (pcp).

The major factor contributing to the movement was the non-recurrence of interest rate swap termination expenses. Higher revenue from US solar photovoltaic (PV) activities, higher net income from US Institutional Equity Partnerships (IEPs), and a greater cash distribution from Infigen's US Class A cash flow interests for a full six-month period were offset by lower revenue in Australia due to poor wind conditions. Further details are provided in Section 1.3.

The following tables provide a summary of the key statutory financial outcomes and metrics compared with the pcp.

Six months ended 31 December ($M)	2014	2013	Change %
Revenue	125.5	137.9	(9)
EBITDA	71.8	80.9	(11)
Depreciation and amortisation	(61.8)	(61.4)	(1)
EBIT	9.9	19.5	(49)
Net borrowing costs	(37.0)	(38.1)	3
FX and derivative revaluations	3.6	(0.7)	614
Interest income on financial asset	4.8	-	n.m.
Net income from IEPs	20.8	17.1	22
Significant item - interest rate swap termination costs	-	(16.8)	n.m.
Profit/(Loss) before tax	2.0	(19.0)	111
Income tax benefit/(expense)	(0.5)	3.7	(114)
Net profit/(loss) after tax	1.6	(15.3)	110
Operating cash flow	45.9	23.7	94
Operating cash flow per security[1] (cps)	6.0	3.1	94
Earnings per security (cps) [2]	0.3	(2.0)	115

Position at ($M unless otherwise indicated)	31 Dec 2014	30 Jun 2014	Change %
Debt	1,102	1,075	(3)
Cash	72	81	(11)
Net debt	1,031	994	(4)
Tax equity liabilities	480	439	(9)
Securityholders' equity	510	492	4
Book gearing	66.9%	66.9%	-
EBITDA/(net debt + equity)	10.4%	11.4%	(1) ppts
Net assets per security ($)	0.66	0.64	3
Net tangible assets per security ($)	0.30	0.31	(3)
Capital expenditure[3]	11.4	13.8	17

[1] Calculated using securities on issue at the end of six months
[2] Calculated using weighted average issued securities
[3] Represents the cash outflow in relation to capital expenditure

1.2 Reconciliation of Statutory Accounts to Economic Interest

Infigen internally reports, and believes that it is more useful to review, the financial performance of the business from an economic interest perspective and has therefore reconciled the economic and statutory presentation for the key income statement line items below. An explanation of the entities that are consolidated and equity accounted is available in the Management Discussion and Analysis for the year ended 30 June 2014. Following this section all figures will reference "Economic Interest" unless specifically stated otherwise.

Six months ended 31 December 2014 ($M)	Statutory	Add: Allocate share of profit of associates	Less: US minority interests	Economic interest
Revenue	125.5	21.5	(7.4)	139.6
Operating EBITDA	72.8	9.6	(4.2)	78.1
Corporate, development and other costs	(10.4)	-	-	(10.4)
Share of net profits of associates	9.4	(9.4)	-	-
EBITDA	71.8	0.2	(4.2)	67.7
Depreciation and amortisation	(61.8)	(13.7)	4.6	(70.9)
EBIT	9.9	(13.5)	0.4	(3.2)
Net borrowing costs	(37.0)	(0.1)	0.1	(37.0)
FX and derivative revaluations	3.6	-	-	3.6
Interest income on financial asset	4.8	-	-	4.8
Net income from IEPs	20.8	13.6	(0.5)	33.9
Significant item - interest rate swap termination costs	-	-	-	-
Profit/(loss) before tax	2.0	-	-	2.0
Income tax benefit/(expense)	(0.5)	-	-	(0.5)
Net profit/(loss)	1.6	-	-	1.6

Six months ended 31 December 2013 ($M)	Statutory	Add: Allocate share of profit of associates	Less: US minority interests	Economic interest
Revenue	137.9	19.0	(7.7)	149.3
Operating EBITDA	86.4	8.5	(4.9)	90.1
Corporate, development and other costs	(11.1)	-	-	(11.1)
Share of net profits of associates	5.5	(5.5)	-	-
EBITDA	80.9	3.0	(4.9)	79.0
Depreciation and amortisation	(61.4)	(13.7)	4.5	(70.6)
EBIT	19.5	(10.7)	(0.3)	8.5
Net borrowing costs	(38.1)	-	0.1	(38.0)
FX and derivative revaluations	(0.7)	-	-	(0.7)
Interest income on financial asset	-	-	-	-
Net income from IEPs	17.1	10.7	0.2	28.0
Significant item - interest rate swap termination costs	(16.8)	-	-	(16.8)
Profit/(Loss) before tax	(19.0)	-	-	(19.0)
Income tax benefit/(expense)	3.7	-	-	3.7
Net profit/(loss)	(15.3)	-	-	(15.3)

1.3 Review of statement of income

Six months ended 31 December ($M unless otherwise indicated)	2014	2013	Change %
Revenue	139.6	149.3	(6)
Operating EBITDA	78.1	90.1	(13)
EBITDA	67.7	79.0	(14)
Depreciation and amortisation	(70.9)	(70.6)	-
EBIT	(3.2)	8.5	(137)
Net borrowing costs	(37.0)	(38.0)	3
FX and derivative revaluations	3.6	(0.7)	614
Interest income on financial asset	4.8	-	n.m.
Net income from IEPs	33.9	28.0	21
Significant item - interest rate swap termination costs	-	(16.8)	n.m.
Profit/(Loss) before significant item and tax	2.0	(19.0)	111
Income tax benefit/(expense)	(0.5)	3.7	(114)
Net profit/(loss)	1.6	(15.3)	110

Revenue was $139.6 million, down 6% or $9.7 million on the pcp reflecting lower overall production and electricity prices, offset by a declining Australian dollar[4], higher compensated revenue and higher Large-scale Generation Certificate (LGC) and Renewable Energy Credit (REC) revenue.

- In the US, revenue increased 9% or US$5.6 million to US$65.0 million[5] reflecting higher production (+US$1.3 million), higher IAM revenue (+US$3.9 million), higher REC revenue (+US$0.7 million) and higher compensated and other revenue (+US$0.6 million) offset by lower electricity prices (-US$0.9 million).

- In Australia, revenue decreased $19.3 million or 23% to $65.6 million as a result of lower production (-$16.8 million) and lower merchant electricity prices (-$6.5 million), offset by higher LGC revenue (+$3.4 million) and higher compensated revenue (+$0.7 million).

Operating earnings before interest, tax, depreciation and amortisation (**Operating EBITDA**) was $78.1 million, down 13% or $12 million. This was primarily due to the revenue items described above partially offset by lower Australian operating costs.

Development costs were $2.8 million, down 10% or $0.3 million primarily reflecting lower costs in Australia, partially offset by increased activity in further progressing development opportunities in the US.

Corporate costs were $7.0 million, down 12% or $1.0 million reflecting the non-recurrence of corporate activity costs incurred in the pcp.

EBITDA was $67.7 million, down 14% or $11.3 million due to lower operating EBITDA partially offset by lower development and corporate costs.

[4] The average AUD:USD rate for the six months ended 31 December 2014 was 0.8886 compared with 0.9214 in the pcp

[5] Includes asset management revenue and income from solar PV activities earned by Infigen Asset Management (IAM)

Depreciation and amortisation expenses were $70.9 million, $0.3 million higher than the pcp. In the US, depreciation and amortisation decreased US$1.4 million to US$39.5 million, while in Australia (including corporate assets), depreciation and amortisation increased $0.2 million to $26.4 million. The balance of $1.6 million was due to the depreciation of the AUD. Infigen depreciates its US and Australian wind farms and associated plant using the straight line method over 25 years.

Net borrowing costs were $37.0 million, down 3% or $1.0 million. Interest expense was $0.5 million lower due to lower outstanding Global Facility and Woodlawn facility borrowings partially offset by a full period of interest payable on the Union Bank facility borrowings and a declining Australian dollar.

Six months ended 31 December ($M)	2014	2013	Change %
Interest expense	(34.6)	(35.1)	1
Bank fees and amortisation of loan costs	(2.6)	(3.4)	24
Amortisation of decommissioning costs	(0.2)	(0.2)	-
Total borrowing costs	**(37.4)**	**(38.7)**	**3**
Interest income	0.4	0.7	(43)
Net borrowing costs	**(37.0)**	**(38.0)**	**3**

The **FX and revaluation of derivatives** (movements in non-hedge FX, interest rate and electricity derivatives) was $3.6 million. The FX gain was due to the depreciation of the AUD and revaluation of the USD and EUR debt held by an Australian company within the Group. The revaluation of derivatives represents mark to market movements at 31 December 2014 of various financial instruments that cannot be hedge accounted due to their IFRS classification as ineffective hedges.

The **interest income on financial asset** of $4.8 million is the (non-cash) return on Infigen's US Class A cash flow interests.

Termination of interest rate swaps in the pcp resulted in an expense of $16.8 million and was recorded in significant items.

Net income from US IEPs[6] was $33.9 million, up 21% or $5.9 million compared to $28.0 million in the pcp. Further details are available in Appendix C.

Income tax expense of $0.5 million was $4.2 million higher than the $3.7 million benefit in the pcp largely due to the higher net profit before tax.

Net profit after tax for the six months was $1.6 million, a favourable movement of $16.9 million compared with the pcp.

1.4 Safety

Infigen's first priority is the safety of our people and the communities in which we operate. Our goal is zero lost time incidents and injuries. Infigen's safety performance as measured on a rolling 12 month lost time injury frequency rate (LTIFR) improved to 1.2 at 31 December 2014 compared with 2.3 at 31 December 2013.

[6] Institutional Equity Partnerships

2 Cash Flow

2.1 Cash movement

Cash at 31 December 2014 was $76.9 million, 7% or $6.0 million lower than the $82.9 million balance at 30 June 2014. The cash balance at 31 December 2014 included $52.3 million held by entities ('Excluded Companies') outside the Global Facility Borrower Group[7].

Cash movements during the period included:

- Debt reduction (-$33.9 million)
- Capital expenditure for development and property, plant and equipment (-$11.7 million)
- Distributions paid to Class A members (-$12.9 million)
- Operating cash flow (+$49.7 million) including distributions received from US Class A financial assets (+$6.2 million)
- FX movements (+$2.8 million)

2.2 Operating cash flow (OCF)

Six months ended 31 December ($M)	2014	2013	Change %
Operating EBITDA	78.1	90.1	(13)
Corporate, development and other costs	(10.4)	(11.1)	6
Movement in working capital and non-cash items	10.8	(6.2)	274
Net financing costs and taxes paid	(35.0)	(35.5)	1
Distributions received from financial assets[8]	6.2	4.0	55
OCF before significant items	**49.7**	**41.3**	**20**
Interest rate swap termination costs	-	(16.8)	n.m.
Operating cash flow	**49.7**	**24.5**	**103**
OCF of associates and joint ventures	(7.6)	(10.3)	26
OCF of non-controlling interests	3.8	4.5	(16)
Operating cash flow (statutory)	**45.9**	**18.7**	**145**

Operating cash flow was $49.7 million, 103% or $25.2 million higher than the pcp due to movement in working capital (+$17.0 million), interest rate swap termination costs in the pcp (+$16.8 million), distributions received from investments in US Class A interests (+$2.2 million) and lower corporate, development and financing costs (+$1.2 million) partially offset by lower operating EBITDA (-$12.0 million). The positive working capital movement during the period was due to sales of LGCs from inventory, an increase in payables and reductions in provisions together with some non-cash expense items. The pcp adverse working capital movement was due to the accumulation of LGCs reserved for forward sales commitments.

[7] Infigen's borrowings include a multi-currency Global Facility secured by Infigen's interests in all of its operational wind farms except Woodlawn and Infigen's US Class A cash flow interests - 'the Global Facility Borrower Group'

[8] Investments in US Class A cash flow interests

3 Capital Management

3.1 Debt

Total debt at 31 December 2014 was $1,104 million[9] (including capitalised loan costs[10]) comprising $1,007 million of Global Facility borrowings, $63 million of financial asset related borrowings and $46 million of Woodlawn facility borrowings. This was an increase of $27.5 million compared with 30 June 2014. During the six months, Infigen repaid $27.1 million of Global Facility borrowings, $3.6 million of Woodlawn facility borrowings and $3.2 million of Union Bank facility borrowings. The depreciation of the AUD against the USD resulted in $59.5 million in unfavourable FX movements with the balance comprising expensed and capitalised loan costs.

During the period, Infigen distributed $9 million in cash from Excluded Companies to the Global Facility Borrower Group to support Global Facility leverage ratio covenant compliance.

3.2 Net debt

Net debt for the consolidated entity increased from $994 million at 30 June 2014 to $1,027 million at 31 December 2014. The net movement of $33 million was due to unfavourable FX movements offset by period debt repayment.

3.3 Equity

Total equity increased 4% from $492.1 million at 30 June 2014 to $509.5 million at 31 December 2014. The increase of $17.4 million is attributable to:

- An exchange difference on the translation of foreign operations and movement in fair value of net investments (+$24.5 million);
- The net profit for the period (+$1.6 million);
- A net increase in the share based payments reserve (+$1.2 million); and
- A change in the fair value of interest rate hedges (-$9.8 million).

During the period the number of securities on issue increased by 2,894,147 to 767,887,581. These securities were issued to key management personnel as deferred remuneration under the short term incentive plan.

3.4 Gearing

The following table provides a comparison of Infigen's book gearing at 31 December 2014 and 30 June 2014. The changes in gearing percentages reflect the movements in net debt and equity described above.

As at ($M)	31 Dec 2014	30 Jun 2014	Change %
Net debt	1,027	994	(3)
Total equity	510	492	4
Book gearing	**66.8%**	**66.9%**	**0.1 ppts**
US IEP tax equity[11]	558	516	(8)
Total gearing	**75.8%**	**75.4%**	**(0.4) ppts**

A balance sheet by country is provided in Appendix A.

[9] Includes $1.7 million joint venture borrowings ($1,102 million on a statutory basis)
[10] Capitalised loan costs accounted for $11.8 million at 31 December 2014
[11] Refer to Appendix C

4 US Operational Performance Review

4.1 Overview

Six months ended 31 December	2014	2013	Change	Change %
Total revenue (US$M)	65.0	59.4	5.6	9
Operating costs (US$M)	40.5	36.9	(3.6)	(10)
Operating EBITDA (US$M)	24.5	22.4	2.1	9
Operating EBITDA margin	37.7%	37.7%	-	-
Average price (US$/MWh)	43.2	43.0	0.2	-
Operating costs (US$/MWh)	29.6	27.6	2.0	(7)
Production tax credits (US$M)	32.6	35.1	(2.5)	(7)
US business translation to AUD				
Revenue (A$M)	74.0	64.3	9.7	15
Operating EBITDA (A$M)	28.4	24.3	4.1	17

Infigen's operating capacity remained at 1,089.4 MW (Class B interest) in the US. In 2013 Infigen acquired Class A cash flow interests in nine of its operating wind farms in the US.

4.2 Production

Six months ended 31 December	2014	2013	Change
Operating capacity (MW)	1,089	1,089	-
Capacity factor	28.4%	27.8%	0.6 ppts
Turbine availability	97.0%	96.2%	0.8 ppts
Site availability	95.4%	95.3%	0.1 ppts
Production (GWh)	1,367	1,336	31

Production increased 31 GWh or 2% to 1,367 GWh primarily due to better wind conditions in the South and Mid-West (+42 GWh) and higher availability at sites with Gamesa turbines (+48 GWh), offset by lower wind conditions in other regions (-33 GWh) and lower availability due to equipment maintenance and repairs (-26 GWh).

Site availability of 95.4% was broadly in line with the prior period. Turbine availability increased slightly to 97.0% due to availability improvements at all sites with Gamesa turbines.

Following a review by a technical consultant, Infigen has updated the long term mean annual energy production (P50) estimate of its Class B economic interest in its US wind portfolio to 3,240 GWh, a 2% decrease from the prior P50 estimate.

4.3 Price

The US$43.2/MWh average price (total wind farm revenue of US$59.1 million[12] divided by total production) was slightly higher than US$43.0/MWh realised in the pcp. This was due to higher contracted and merchant REC prices in the PJM region offset by lower merchant electricity prices in the PJM and ERCOT regions. The time weighted average (TWA) electricity prices for the relevant regions are outlined below.

Six months ended 31 December (US$/MWh)	2014	2013	Change %
PJM-AECO (Jersey Atlantic)	33.8	36.9	(8)
PJM-CE (GSG, Mendota & Crescent Ridge)	28.1	29.6	(5)
ERCOT-W (Sweetwater 5)	31.7	32.0	(1)

[12] Excludes IAM revenue

4.4 Revenue

Revenue increased 9% or US$5.6 million to US$65.0 million[13] reflecting higher IAM revenue (+US$3.9 million, due to US$4.0 million from solar PV activities), higher production (+US$1.2 million), higher REC revenue (+US$0.7 million) and higher compensated and other revenue (+US$0.6 million). This was partially offset by lower merchant electricity prices (-US$0.7 million).

4.5 Operating costs

Six months ended 31 December (US$M)	2014	2013	Change	Change %
Asset management[14]	8.2	6.6	(1.6)	(24)
Turbine O&M	18.9	17.7	(1.2)	(7)
Balance of plant	4.6	4.0	(0.5)	(15)
Other direct costs	8.9	8.5	(0.4)	(5)
Total operating costs	**40.5**	**36.9**	**(3.6)**	**(10)**

Total operating costs increased by US$3.6 million to US$40.5 million reflecting:

- US$1.6 million increase in asset management costs primarily due to one-off employee related costs, equipment write-offs and higher IAM contractor costs. The prior period included a reimbursement of reactive power fees;
- US$1.2 million increase in turbine O&M costs primarily due to 3-year oil changes, equipment repairs and inspections at Cedar Creek and Sweetwater;
- US$0.5 million increase in balance of plant costs associated with unscheduled transformer maintenance and repairs at Allegheny, GSG, Mendota and Sweetwater 4; and
- US$0.4 million increase in other direct costs primarily due to higher property taxes at Sweetwater and higher connection costs at Kumeyaay.

4.6 Operating EBITDA

Operating EBITDA for the US business increased US$2.1 million or 9% to US$24.5 million primarily reflecting higher income related to solar PV activities partially offset by higher operating costs. Operating EBITDA margin was in line with the pcp at 37.7%.

4.7 Development

Work continued on the solar PV development pipeline including securing power purchase agreements for the Rio Bravo I & II (20 MW each) and Wildwood II (15 MW) projects during the period.

Project origination and development activities during the period have resulted in Infigen's US development pipeline now comprising over 1,200 MW of late, mid and early stage projects across ten states.

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[13] Includes asset management revenue and income from solar PV activities earned by IAM
[14] Includes asset management costs related to IAM

5 Australian Operational Performance Review

5.1 Overview

Six months ended 31 December	2014	2013	Change	Change %
Total revenue ($M)	65.6	84.9	(19.3)	(23)
Operating costs ($M)	15.9	19.1	3.2	17
Operating EBITDA ($M)	49.7	65.8	(16.1)	(24)
Operating EBITDA margin	75.8%	77.5%	(1.7) ppts	-
Average price ($/MWh)	89.1	93.7	(4.6)	(5)
Operating costs ($/MWh)	21.6	21.1	(0.5)	(2)

Infigen’s operating capacity in Australia remained at 556.7 MW during the period.

5.2 Production

Six months ended 31 December	2014	2013	Change
Operating capacity (MW)	557	557	-
Capacity factor	30.0%	36.9%	(6.9) ppts
Turbine availability	97.4%	97.7%	(0.3) ppts
Site availability	96.6%	97.6%	(1.0) ppts
Production (GWh)	736	906	(170)

Production decreased 19% or 170 GWh to 736 GWh primarily as a result of lower wind conditions across the portfolio and to a lesser extent lower site and turbine availability.

5.3 Prices

The TWA spot electricity prices in SA and NSW were 41% and 35% lower than the pcp respectively due to removal of the carbon price and the non-recurrence of market events that led to high price events in the pcp.

Six months ended 31 December TWA wholesale electricity ($/MWh)	2014	2013	10 year average
SA (Lake Bonney)	37.99	64.94	49.84
NSW (Capital & Woodlawn)	35.53	54.33	42.65

Infigen’s dispatch weighted average (DWA) electricity prices decreased 47% to $30.50/MWh in SA and 34% to $36.46/MWh in NSW. The decreases broadly correlate with the TWA price decreases in each region.

Average spot prices in Australia can be significantly influenced by short term extreme price events. Wholesale electricity spot prices can vary between the market price floor of negative $1,000/MWh and the market price cap of $13,500/MWh. Price volatility had little effect on the average price outcomes during the period.

For LGCs, the volume weighted average monthly market spot price for the period of $31.90/LGC was 5% lower than the average price of $33.51/LGC in the pcp. The closing spot LGC price at 31 December 2014 was $33.35/LGC compared with $33.00/LGC at 31 December 2013.

5.4 Revenue

Revenue decreased $19.3 million or 23% to $65.6 million as a result of lower production (-$16.8 million) and lower merchant electricity prices (-$6.5 million), offset by higher LGC revenue (+$3.4 million) and higher compensated revenue (+$0.7 million).

5.5 Operating Costs

Infigen's Australian wind turbines are covered by their Original Equipment Manufacturer's warranty (Woodlawn) or post-warranty service agreements with Vestas (Alinta, Lake Bonney 1, 2 & 3) and Suzlon (Capital).

Six months ended 31 December ($M)	2014	2013	Change	Change %
Asset management	3.4	3.2	(0.2)	(6)
Turbine O&M	7.9	10.2	2.3	23
Balance of plant	0.0	0.5	0.5	100
Other direct costs	3.7	3.7	-	-
Total wind farm costs	**14.9**	**17.6**	**2.7**	**15**
Energy Markets	1.0	1.6	0.6	38
Total operating costs	**15.9**	**19.1**	**3.2**	**17**

Total operating costs decreased $3.2 million or 17% to $15.9 million. The key variances include:

- $0.2 million increase in asset management costs associated with legal and professional fees;
- $2.3 million decrease in turbine O&M costs associated with lower production-linked O&M incentive payments due to lower production (-$1.0 million) and lower variable turbine maintenance costs (-$1.3 million);
- $0.5 million decrease in balance of plant costs primarily due to lower unscheduled maintenance at Lake Bonney; and
- $0.6 million lower Energy Markets expenses.

5.6 Operating EBITDA

Operating EBITDA decreased $16.1 million or 24% to $49.7 million reflecting lower production and lower merchant electricity prices, slightly offset by higher LGC revenue and compensated revenue and lower operating costs.

Operating EBITDA margin decreased to 75.8% compared to 77.5% in the pcp.

5.7 Development

Development activity during the period focused on advancing opportunities to realise value from the development pipeline.

The development pipeline of approximately 1,300 MW is generally well advanced with several near construction ready projects awaiting an outcome from the 2014 review of the Renewable Energy Target.

6 Appendix A – Balance Sheet by Country

A$M	31 Dec 2014 IFN Statutory Interest	Add: US Equity Accounted Investments	Less US Minority Interest	31 Dec 2014 IFN Economic Interest	Australia	United States
Cash	71.5	6.0	(0.6)	76.9	62.1	14.8
Receivables	39.3	4.5	(0.3)	43.5	48.4	(4.9)
Inventory	12.3	1.3	(0.2)	13.4	9.0	4.4
Prepayments	11.3	1.4	(0.1)	12.6	5.3	7.3
PPE	1,993.0	486.3	(167.8)	2,311.5	852.6	1,458.9
Goodwill & intangibles	275.9	(4.0)	(16.0)	255.9	114.5	141.4
Investments in associates	112.9	(112.9)	-	-	-	-
Investment in financial assets	97.5	-	-	97.5	-	97.5
Deferred tax assets & other assets	53.2	(1.9)	(1.2)	50.1	54.0	(3.8)
Total assets	**2,666.9**	**380.7**	**(186.2)**	**2,861.4**	**1,145.9**	**1,715.6**
Payables	35.5	5.6	(2.7)	38.4	11.5	26.9
Provisions	22.3	8.7	(2.2)	28.8	9.5	19.3
Borrowings	1,102.4	1.7	-	1,104.0	684.9	419.2
Tax equity (US)	480.3	204.4	(126.8)	558.0	-	558.0
Deferred revenue (US)	372.3	160.3	(54.4)	478.1	-	478.1
Derivative liabilities	144.6	-	-	144.6	101.0	43.6
Total liabilities	**2,157.4**	**380.7**	**(186.2)**	**2,351.9**	**806.8**	**1,545.1**
Net assets	**509.5**	**-**	**-**	**509.5**	**339.0**	**170.5**

AUD exchange rates as at	31 Dec 2014	30 Jun 2014	Change %
USD	0.8202	0.9420	(13)
EUR	0.6746	0.6906	(2)

7 Appendix B - Asset Summary

United States

Wind Farm	LLC	Vintage	COD[15]	Net capacity Class B interest (MW)	P50 (GWh)[16]	Class B interest	Class A interest[17]	Stage 1 ends	Stage 2 ends	PPA ends	Customer/ Market region
Blue Canyon	Blue Canyon Windpower	2003/04	Dec 2003	37.1	128.6	50%	46%	Flipped	~Jun-15	Jan-23	Western Farmers
Caprock	Caprock Wind	2003/04	Dec 2004 & Apr 2005	80.0	321.6	100%	31%	Flipped	~Dec-16	Dec-24	SPS
Combine Hills	Eurus Combine Hills	2003/04	Dec 2003	20.5	56.2	50%	-	Flipped	~Jun-15	Dec-23	PacifiCorp
Sweetwater 1	Sweetwater Wind 1	2003/04	Dec 2003	18.8	60.2	50%	67%	Flipped	~Dec-23	Dec-23	Luminant
Sweetwater 2	Sweetwater Wind 2	2003/04	Feb 2005	45.8	152.2	50%	30%	Flipped	~Jun-22	Feb-17	Austin Energy
Bear Creek	JB Wind Holdings	2005	Mar 2006	14.2	38.7	59%	50%	Flipped		Mar-26	PPL
Crescent Ridge	Crescent Ridge Holdings	2005	Nov 2005	40.8	118.7	75%	100%	Flipped	~Jun-18	N/A	PJM-CE
Jersey Atlantic	JB Wind Holdings	2005	Mar 2006	4.4	12.7	59%	50%	Flipped		Apr-30	PJM-AECO
Kumeyaay	Kumeyaay Holdings	2005	Dec 2005	50.0	165.7	100%	-	Flipped		Dec-25	SDG&E
Sweetwater 3	Sweetwater Wind 3	2005	Dec 2005	67.5	209.2	50%	23%	Flipped		Dec-25	CPS
Allegheny Ridge I	Wind Portfolio Holdings 1	2006	Jun 2007	80.0	213.7	100%	-	Nov-15		Dec-30	First Energy
Aragonne Mesa	Wind Portfolio Holdings 1	2006	Dec 2006	90.0	272.9	100%	-	Nov-15		Dec-26	APS
Buena Vista	Wind Portfolio Holdings 1	2006	Dec 2006	38.0	101.4	100%	-	Nov-15		Apr-16	PG&E
GSG	Wind Portfolio Holdings 1	2006	Jun 2007	80.0	226.0	100%	-	Nov-15		N/A	PJM-CE
Mendota	Wind Portfolio Holdings 1	2006	Nov 2003	51.7	104.1	100%	-	Nov-15		N/A	PJM-CE
Cedar Creek	CCWE Holdings	2007	Dec 2007	200.3	572.6	67%	28%	Flipped	~Jun-19	Dec-23	PSCo
Sweetwater 4	Sweetwater 4-5 Holdings	2007	May 2007	127.6	365.3	53%	-	Apr-15		May-27	CPS
Sweetwater 5	Sweetwater 4-5 Holdings	2007	Dec 2007	42.7	119.7	53%	-	Apr-15		N/A	ERCOT-W

[15] Commercial operation date

[16] Class B economic interest

[17] Infigen holds Class A interests in relation to nine US wind farms. Infigen directly holds Class A interests in Sweetwater 1 and Blue Canyon. Infigen's Class A interests in relation to the other seven wind farms are held through a joint venture investment vehicle that predominantly allocates cash flows to Infigen. The table above shows the percentage Class A interest held by that investment vehicle in relation to those seven wind farms.

Australia

Wind Farm	Region	COD[18]	Capacity (MW)	P50 (GWh)	PPA terms	PPA ends	Customer
Lake Bonney 1	South Australia	Mar 2005	80.5	197.2	All output	Mar-15	Origin Energy
Alinta	Western Australia	Jan 2006	89.1	344.9	All output	Electricity - Dec-26 LGCs Jun -16 & Jan-21	Alinta & AGL
Lake Bonney 2	South Australia	Sep 2008	159.0	414.3	Merchant	N/A	Merchant
Capital	New South Wales	Jan 2010	140.7	373.2	Effectively all output is contracted when the desalination plant is operating. ~50% of LGCs are sold on a merchant basis when the plant is not operating.	Dec-30	SDP & Merchant
Lake Bonney 3	South Australia	Jul 2010	39.0	105.6	Merchant	N/A	Merchant
Woodlawn	New South Wales	Oct 2011	48.3	163.5	Merchant	N/A	Merchant

[18] Commercial operation date

8 Appendix C – Institutional Equity Partnerships (Economic Interest)

A detailed description of Infigen's Institutional Equity Partnerships is available in Appendix B of the Management Discussion and Analysis for the financial year ended the 30 June 2014.

8.1 Performance by portfolio

Six months ended 31 Dec 2014 (US$m)	2003/04 portfolio	2005 portfolio	2006 portfolio	2007 portfolio	Total
Production (GWh)	326	228	355	458	1367
Revenue	10.8	10.3	21.7	24.3	67.1
Costs	6.7	7.1	14.9	10.8	39.5
EBITDA	4.1	3.2	6.7	13.5	27.6
Depreciation and amortisation	7.4	7.9	16.5	11.9	43.6
EBIT	**(3.2)**	**(4.7)**	**(9.7)**	**1.6**	**(16.1)**

8.2 Class B Capital Balance Amortisation

The following table provides a summary of Class B capital balances.

Class B capital balances and distributions by vintage (US$ million)			
	1 July 2014	Distributions received	31 Dec 2014
2003/2004 portfolio	-	-	-
2005 portfolio	1.1	-	1.1
2006 portfolio	88.1	(4.9)	83.2
2007 portfolio	30.5	(5.4)	25.1
Total	**119.8**	**(10.4)**	**109.4**

The following table provides a summary of the movement in Class A capital balances during the period.

8.3 Class A Capital Balance Amortisation

Six months ended 31 Dec 2014 (US$m)	2003/04 portfolio	2005 portfolio	2006 portfolio	2007 portfolio	Total
Opening balance (1 Jul 2014)	**34.4**	**73.8**	**146.0**	**206.3**	**460.5**
Production tax credits	(5.6)	(6.2)	(8.2)	(12.6)	(32.6)
Tax	1.6	1.9	0.1	2.9	6.5
Cash distributions	(3.6)	(2.4)	-	(5.3)	(11.3)
Allocation of return (interest)	0.7	2.4	4.1	6.0	13.3
Closing balance (31 Dec 2014)	**27.6**	**69.6**	**142.0**	**197.3**	**436.5**

8.4 US IEPs Net Income

The following table summarises the components of net income from IEPs.

Six months ended 31 December (A$M)	2014	2013	Change %	2014 (US$M)	2013 (US$M)
Value of production tax credits (Class A)	28.6	27.8	3	25.2	25.6
Value of tax (Class A)	(7.1)	(7.3)	3	(6.3)	(6.7)
Deferred revenue recognised during the period	9.7	9.3	4	8.6	8.6
Income from IEPs	**31.1**	**29.8**	**4**	**27.5**	**27.4**
Allocation of return (Class A)	(11.8)	(13.5)	13	(10.4)	(12.4)
Movement in residual interest (Class A)	3.1	2.5	24	2.5	2.2
Non-controlling interest (Class B)	(1.8)	(1.7)	(6)	(1.5)	(1.6)
Financing costs related to IEPs	**(10.4)**	**(12.7)**	**18**	**(9.4)**	**(11.8)**
Net income from IEPs (statutory)	**20.8**	**17.1**	**22**	**18.0**	**15.6**
US equity accounted investments	13.6	10.7	27	11.2	9.7
Non-controlling interests (Class B & Class A)	(0.5)	0.2	350	(0.5)	0.2
Net income from IEPs (economic interest)	**33.9**	**28.0**	**21**	**28.7**	**25.5**

Value of production tax credits (Class A) increased 3% due to higher production.

Value of tax (Class A) was $7.1 million compared with $7.3 million in the prior period reflecting that all assets have minimal depreciation for tax purposes.

Benefits deferred during the period of $9.7 million compared with $9.3 million in the prior period, reflecting unwinding of deferred revenue during the period. Benefits deferred are the difference between tax depreciation and accounting depreciation for the year.

Allocation of return (Class A) goes to delivering the agreed target return on Class A capital balances. The $11.8 million expense for the period was 13% lower due to lower Class A capital balances.

The movement in residual interest (Class A) was a positive $3.1 million movement compared with a $2.5 million movement in the prior period. This reflects period on period changes in expectations of future tax allocations and cash flow, the difference between the actual and expected performance of the portfolio during the period, and the effect of rolling forward the Class A liability calculation by one year.

Non-controlling interest (Class B) represents the share of net profit attributable to the non-controlling interest holders in the Cedar Creek and Crescent Ridge wind farms.

US equity accounted investments were higher as a result of higher income and lower financing costs related to the IEPs that are equity accounted.

Non-controlling interest (Class B & Class A) represents the elimination of non-controlling interest contributions of each income and financing cost IEP line item (attributable to both the Class A and Class B non-controlling interests in the Cedar Creek and Crescent Ridge wind farms).