



NZX AND ASX ANNOUNCEMENT

31 October 2019

Interim Results for the period ended 30 September 2019 (“1H FY20”)

Tilt Renewables Limited and its subsidiaries (“Tilt Renewables”) released today its interim financial statements for the half year ended 30 September 2019 (“FY2019”). All financial references in this release are in Australian dollars.

Key highlights for 1H FY20

- Improved safety performance with zero Lost Time Injuries during the 6 month period
- Total energy production of more than 1 terawatt-hour
- 1H FY20 operating revenue up 6.9% on prior period, driven by full period contribution from Salt Creek plus higher spot electricity and LGC prices for Snowtown 1 Wind Farm
- Earnings Before Interest, Tax Depreciation, Amortisation, Fair Value Movements of Financial Instruments of \$71.4 million for 1H FY20, up 6.7% on the prior period
- Cash from operating activities of \$50.8 million, down 23.4% on prior period as a result of LGC contract settlement timing which is weighted to 2H FY20
- The 133MW Waipipi Wind Farm investment was approved and financial close achieved for a project-finance debt package on 6 September 2019, with equity contribution fully funded from internal cash
- Construction of the 336MW Dundonnell Wind Farm continues to progress, with the project remaining on track for completion in Q3 CY2020
- Subsequent to 30 September 2019, the Snowtown 2 Wind Farm was successfully refinanced with non-recourse debt that released \$86 million additional unrestricted cash into the group and provides flexibility for the strategic review of Snowtown 2, which remains ongoing

Guidance

Following the solid start to the year, the FY20 EBITDAF guidance range is increased to \$127 to \$132 million. Tilt Renewables’ financial performance remains largely dependent on wind conditions and this range assumes long-term average wind generation.



Dividend

The Tilt Renewables Board has amended the Dividend Policy to give the business flexibility to pay out between 0% and 50% of operating free cash flow after debt service, which is considered appropriate for Tilt Renewables given its growth strategy. The Board has determined it is in the best interests of all shareholders not to pay an interim dividend given that cash reserves have been used to fund the equity into the Waipipi Wind Farm and the likely near term equity requirements for other projects being pursued.

ENDS

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Notes

1. EBITDAF is a non GAAP financial measure but is commonly used within the energy and infrastructure sectors as a measure of performance as it shows the level of earnings before the impact of gearing levels and non-cash charges such as depreciation and amortisation. Market analysts use this measure as an input into company valuation and valuation metrics used to assess relative value and performance of companies across the sector.
2. Net debt is a measure of indebtedness to external funding providers net of deposits held with those providers and is defined as bank loans less cash at bank.
3. Balance sheet gearing is defined as net debt over the sum of net debt and net assets.