



NEWS RELEASE

8 July 2014

NZX: MRP

ASX: MYT

Mighty River Power Investor Presentation

Attached is a presentation that Mighty River Power will be presenting at the New Zealand Shareholders Association in Wellington tonight.

ENDS

 www.mightyriver.co.nz

For further information:

Marie Winfield
Communications Manager
T 0272 105 337

Anna Hirst
Head of Investor Relations
T 0275 173 470

8 July 2014

Mighty River Power

New Zealand Shareholders Association Wellington Branch Meeting



Presented by:

Doug Heffernan
Chief Executive

MIGHTY RIVER POWER

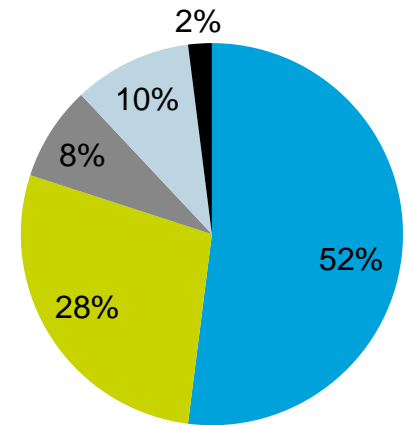
Fraser Whineray
Chief Executive Designate

➤ ABOUT MIGHTY RIVER POWER

Our shareholders

- > Listed on NZX and ASX in May 2013
- > More than 100,000 shareholders
- > Shareholding changes since IPO:
 - > Retail shareholding up 2.5%
 - > NZ institutions down 0.5%
 - > International institutions down 2.9%
- > Total shareholder return down 3.7% since listing, 6.6% up over FY2014
 - > Share price down 8.8% since listing, up 0.9% for FY2014
 - > Fully imputed dividends of 12.4 cents per share paid
 - > Loyalty shares due for payment in May 2015 - 1 for 25, up to max of 200 shares

**SHARE REGISTER
AT APRIL 2014**



- Crown
- Retail
- NZ Institutions
- International Institutions
- Mighty River Power

► ABOUT MIGHTY RIVER POWER

Flexible generation and sales portfolio

15-17%

Generates 15-17% of New Zealand's annual electricity.

1 in 5

Supplies nearly 1-in-5 New Zealand homes and businesses.

90%

90%+ of generation from renewable sources.

40%

Geothermal energy provides 40% of generation output, following the commissioning of the Ngatamariki power station.



GEOTHERMAL



HYDRO



GAS

Steady base-load geothermal, flexible hydro and gas-fired generation.



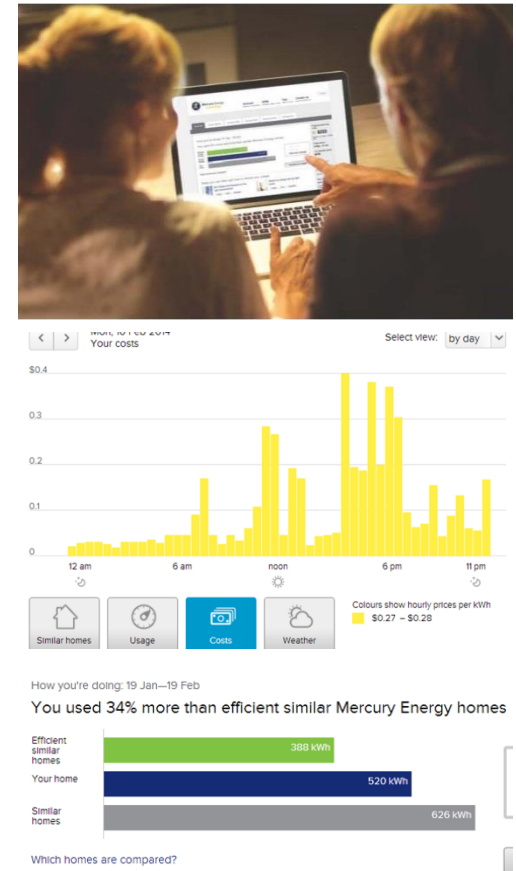
Measured approach to international geothermal opportunities.

► CUSTOMERS

Helping customers reduce their bills

- > Investing in adding value for customers
 - > Providing choices and giving control to customers
- > \$100 million in AMI 'smart' meter platform: enables rich information
- > Good Energy Monitor (GEM)
 - > Free on-line service introduced in 2013
 - > Gives customers up-to-date picture, greater control of usage
 - > Over 80,000 customers actively engaged with product
- > Most active users already saving 3.4% more than other customers
 - > GEM customers on track for \$2 million annual savings
- > Customers value GEM, more loyal in competitive market
- > Commitment to no increase in energy prices for residential electricity and gas customers until at least 1 April 2015

**THE SIZE OF THE BILL IS
WHAT COUNTS FOR CUSTOMERS**



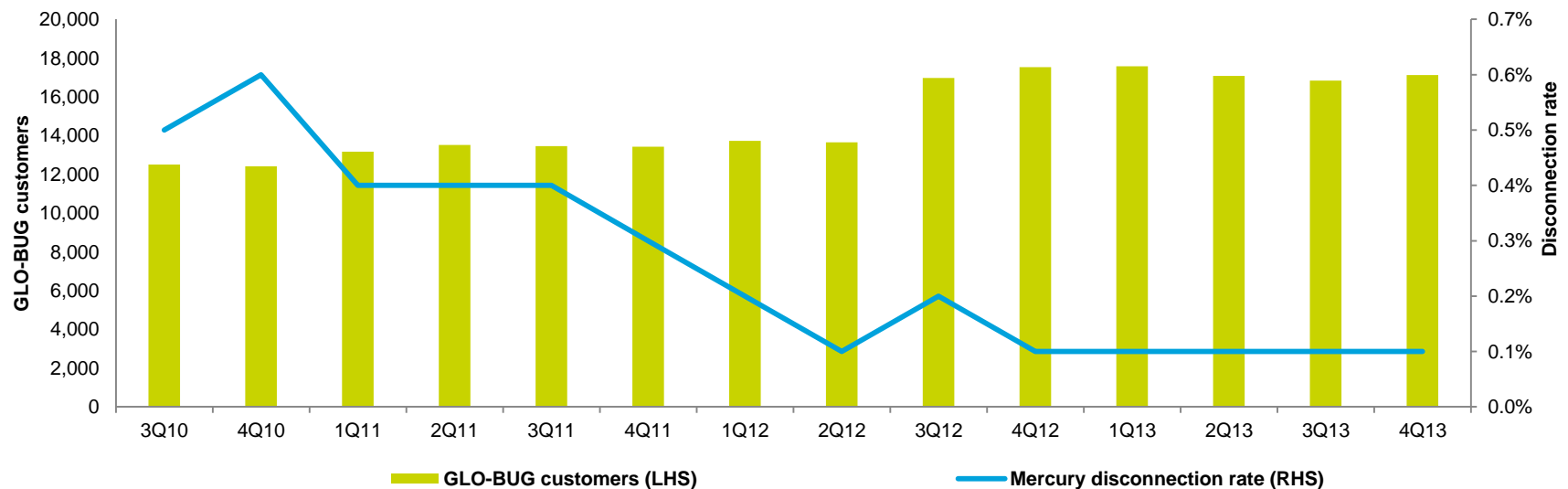
SOCIAL RESPONSIBILITY

Social responsibility through commercial innovation

- > Commercial solution to avoid disconnection
 - > Key factor in our industry-low disconnect rate 0.1%
- > Pay-as-you-go prices comparable with post-pay
 - > Technology allows regular small payments
- > Requires additional equipment
- > 'Smart' meter roll-out now offers national potential



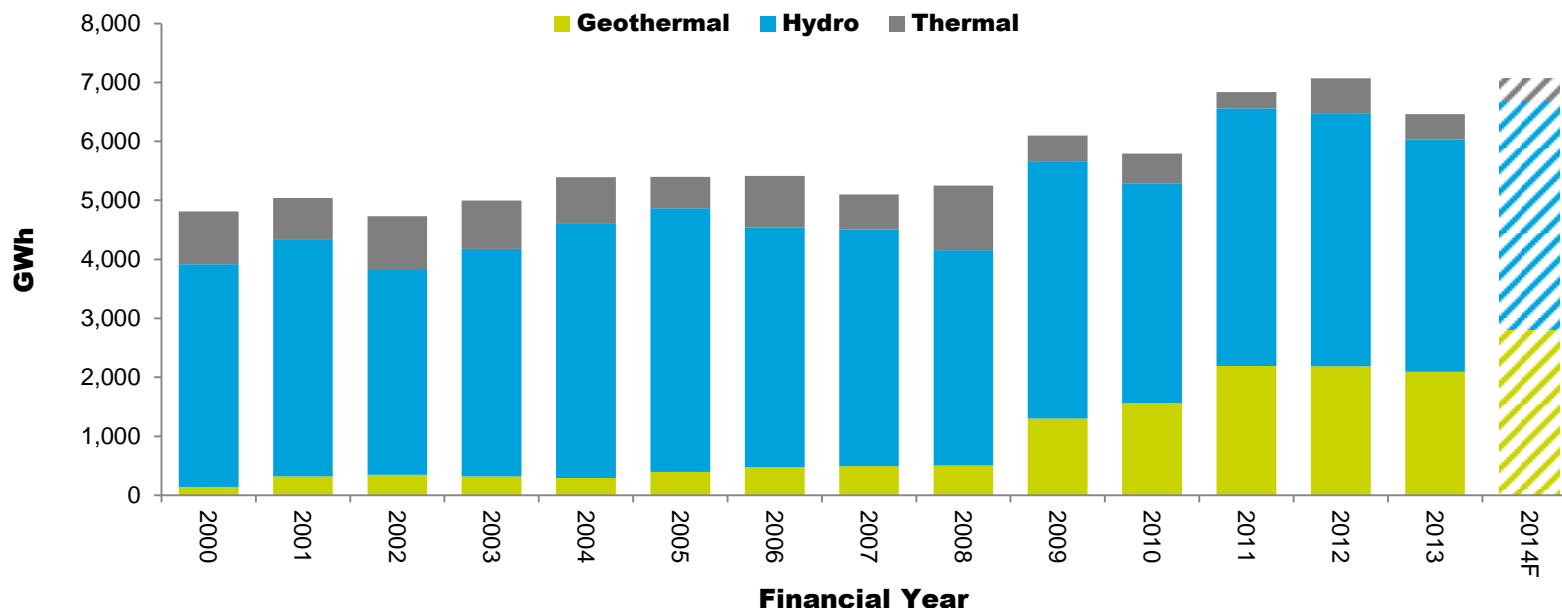
DISCONNECTION RATES & GLO-BUG CUSTOMERS



➤ GEOTHERMAL GROWTH

Strength and resilience from base-load geothermal

- > One of the world's largest geothermal power station owners
 - > Successful track record in geothermal development and operation
 - > Geothermal now makes up 40% of the company's annual generation
- > More than \$1.4 billion in development over the past decade - which requires a return on investment
- > Successful completion of three major geothermal projects in NZ since 2008
- > Diversified hydro dominance



Note: FY2014F is based on Mighty River Power's PFI included in the Investment Statement and Prospectus dated 5 April 2013

► GEOTHERMAL – THE ‘PREMIUM RENEWABLE’

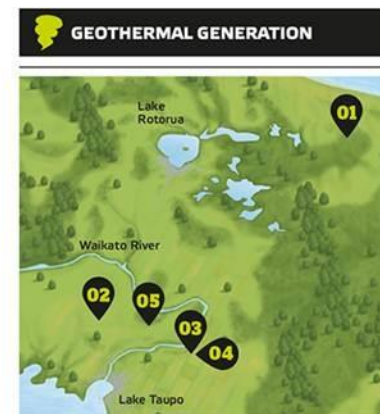
Reliable, with low operating costs

- > Sustainable resource – ‘closed cycle’ with reinjection of fluids to replenish reservoir
- > Aligned values and economic participation with Maori landowners
- > Resource consents generally for 35 year terms – maximum for any renewable system
- > Operating costs of less than \$10/MWh (vs hydro \$5/MWh; Southdown \$110-\$120/MWh)
- > Geothermal is the ‘premium renewable’
 - > Availability above 95%
 - > Not weather dependent
 - > 2x output of hydro, 3x output of wind per MW



01/ Kawerau	100MW
02/ Mokai*	112MW
03/ Rotorua	34MW
04/ Nga Awa Purua*	138MW
05/ Ngatamariki	82MW

* Not 100% owned by Mighty River Power



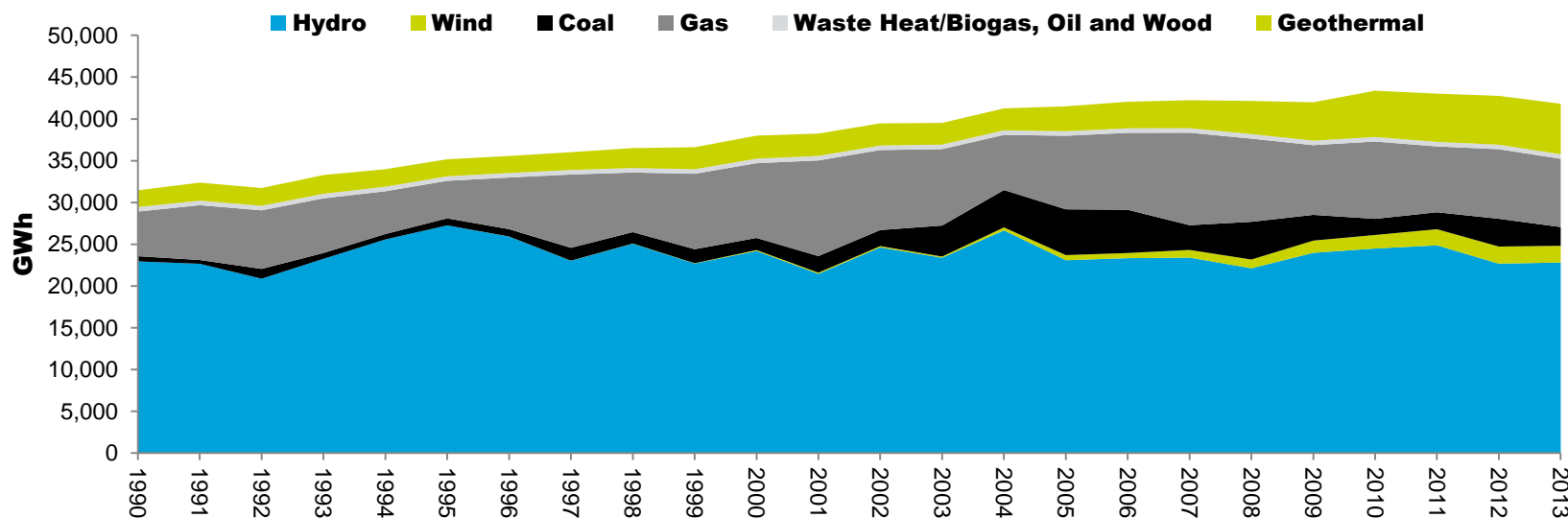
1. As disclosed in Mighty River Powers Investment Statement and prospectus dated 5 April 2013 and numbers based on HY2013

► GEOTHERMAL DISPLACING FOSSIL FUELS

Positive change in New Zealand's energy mix

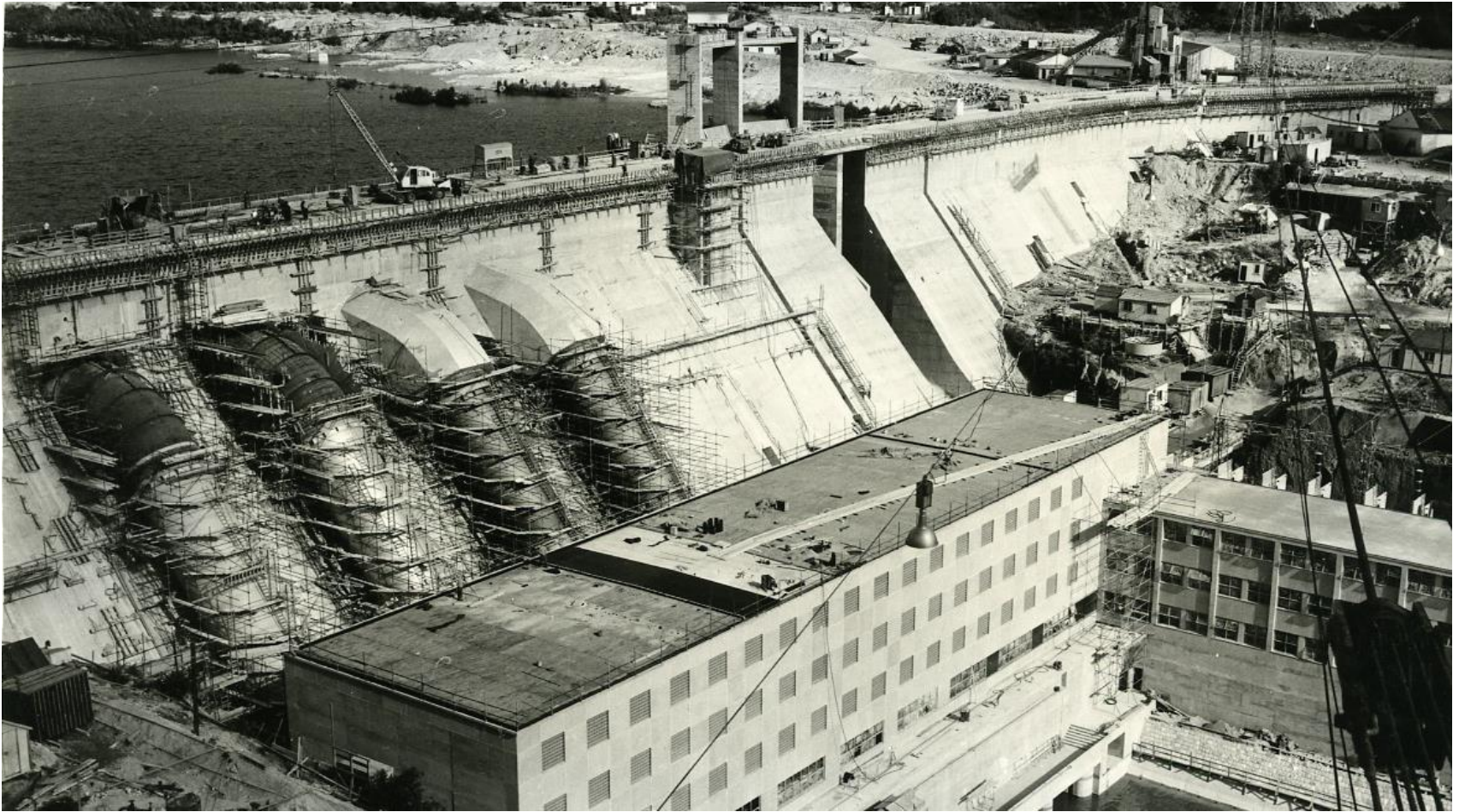
- > 1,200MW of unsubsidised renewable generation built over the past 10 years
- > New geothermal and wind production has displaced fossil fuels, especially coal
 - > Reducing carbon emissions
 - > Less upward pressure on electricity prices
- > Geothermal production has increased by 4,000GWh since 1990
 - > Now makes up more than 15% of New Zealand's electricity mix (up from 5%)
 - > Improved national security

GENERATION MIX – BY FUEL TYPE



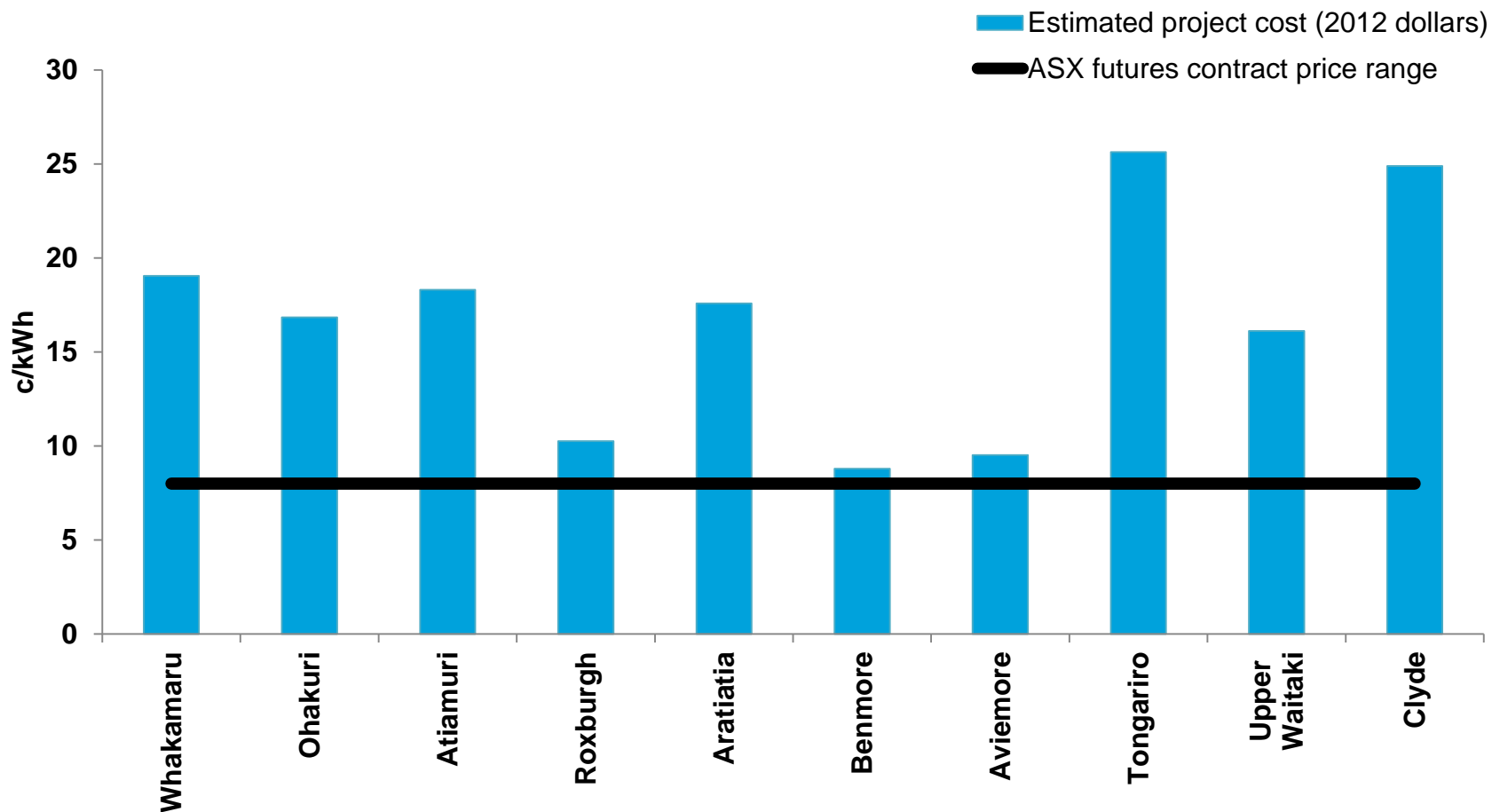
► LEGACY OF HYDRO INVESTMENT

Huge capital cost, economic impact on NZ



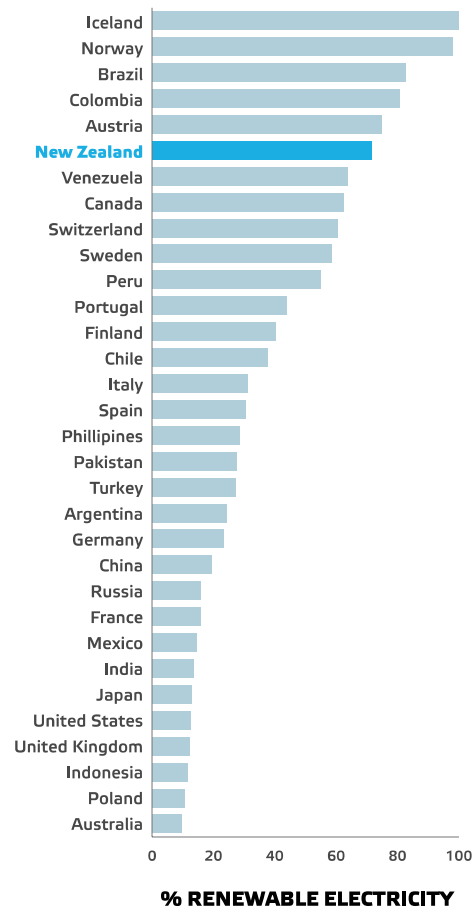
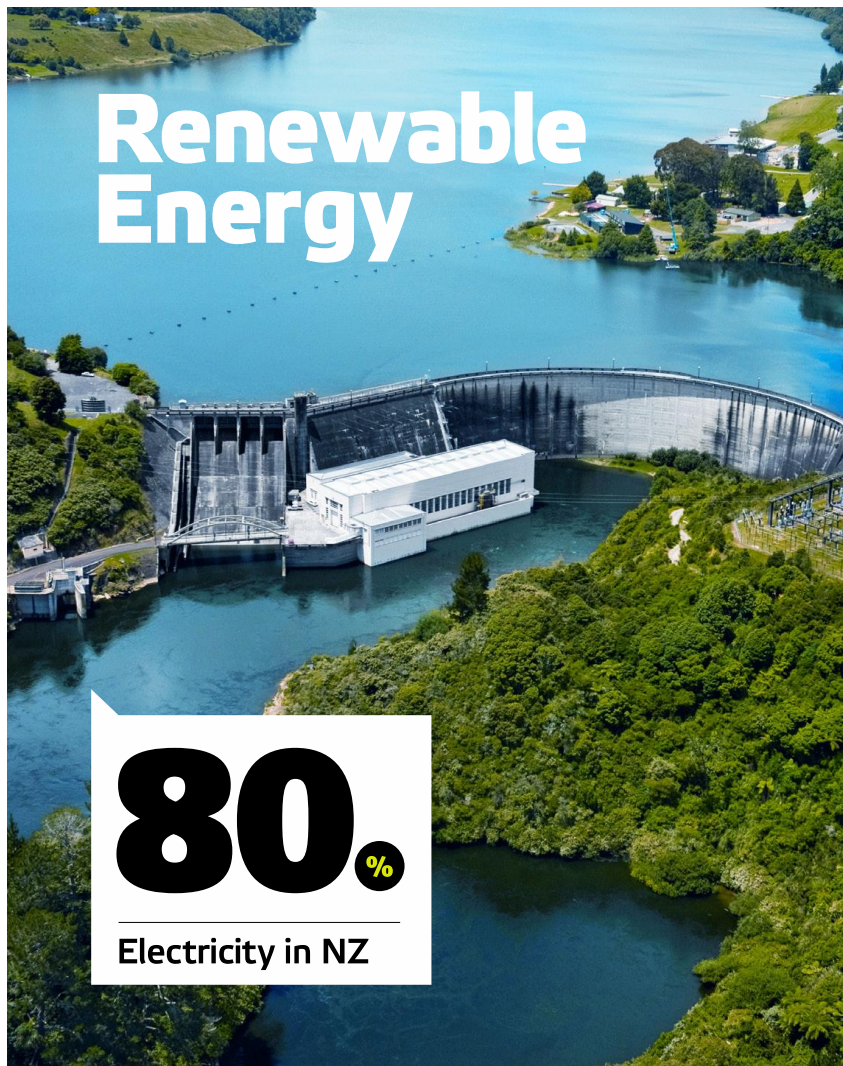
➤ CHEAP HYDRO A MYTH

Returns well below capital cost



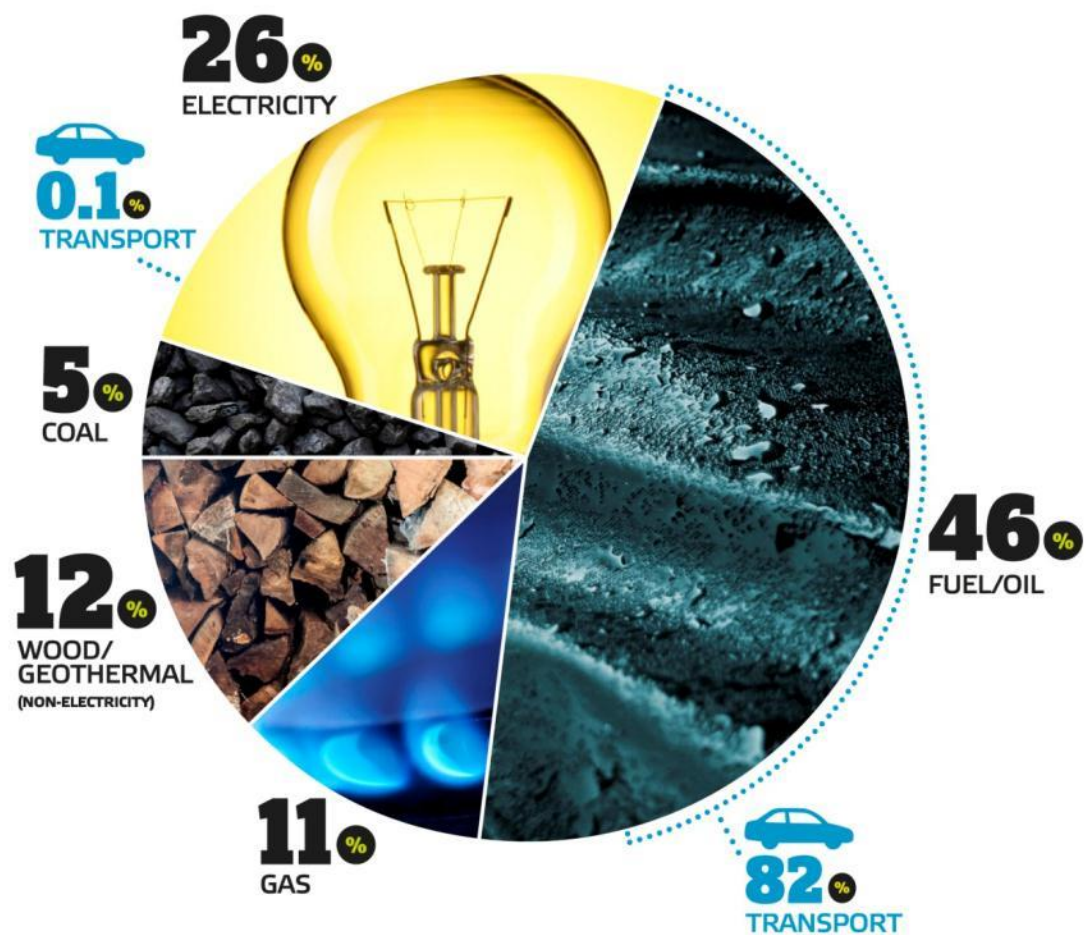
Source:: Indicative numbers provided by Electricity Authority, Select Committee

► NZ RENEWABLES: THE 'ENVY OF THE WORLD'



► TRANSPORT DOMINATED BY FOSSIL FUELS

New Zealand's Energy Mix



➤ RENEWABLE GENERATION IN WAITING

3,000MW of consented projects in NZ



- > \$475 million project
- > 1,000,000 work hours
- > Clean, green energy

> 40x Ngatamariki
consented

► GLOBAL PERSPECTIVE

Home-grown energy advantage for New Zealand

- > NZ ranked No.8 globally by World Energy Council
 - > 2013 Index: security + affordability + sustainability
 - > Good policy a key differentiator
- > The New Zealand electricity market has delivered world best results which could lead to :
 - > Transport fuel home-grown, paid in NZD
 - > Lower net borrowings for NZ
 - > Positive for exchange rate, interest rates
- > 'Green' premium could better leverage exports, integrate into tourism positioning
- > WEC says: *"countries investing in a sustainable way will be the economies that thrive... energy vital to competitiveness and the way an economy operates"*



➤ A POSITIVE POINT OF DIFFERENCE

Generating value... and pride among New Zealanders



► OUR COMMUNITIES

Active involvement in our communities

- > 15-year relationship with New Zealand Rowing
 - > Among NZ's most successful sports
- > Supporting Starship Children's Hospital, together with our customers, for more than a decade
 - > Mercury Energy and our Star Supporters Club raised a record \$1 million last year
- > Involved in Taupo Ironman for the past six years
 - > Enable 2,000 strong volunteer crew for event support
- > Waikato Catchment Ecological Enhancement Trust (WCEET)
 - > Established with funding from Mighty River Power as part of hydro consenting process
 - > \$3.0 million already invested in 149 projects

