



Quarterly Operational Update

Three months ended 30 June 2014



QUARTERLY HIGHLIGHTS

4↓%

ENERGY PRICES down in both residential and commercial

135↑GWh

GEOTHERMAL GENERATION reflecting additional production from Ngatamariki

78↑GWh

HYDRO GENERATION up and Lake Taupo storage up 82GWh (but remains below average)



COMMENTARY

CUSTOMER ENERGY PRICE DOWN IN LINE WITH FORECAST

Mighty River Power's average energy price for sales to customers in the quarter to 30 June 2014 was down 4% on the prior comparable period (pcp), reflecting the highly competitive retail electricity market. The average energy price achieved for sales in the quarter was down \$4.59/MWh to \$122.17/MWh. The lower pricing was driven by competition in both the commercial and residential segments. The Company's commitment to not increase headline residential energy prices, the introduction of Mercury Energy's additional 2% Prompt Payment Discount, and the effect of absorbing increases in local lines and transmission charges in fixed-price customer contracts contributed to this decline in energy prices. The energy price of \$117.70 for the 12 months to 30 June represents an increase of 0.4% over the past year, and was in line with Mighty River Power's IPO forecast for the period of \$118/MWh.

GEOTHERMAL AND HYDRO PUSH GENERATION UP 10%

A partial recovery of hydro conditions in the quarter saw hydro production up 78GWh (11%) on pcp and Lake Taupo storage up 82GWh over the quarter. The lake level at 30 June was 65% of long run average (91GWh below average) and currently sits at 83% of long run average (as at 22 July).

Geothermal was up 135GWh (25%) on pcp due to additional production from the Ngatamariki station (which was commissioned in September 2013) and increased fuel availability lifting Kawerau output. Nga Awa Purua production remained stable at the level expected until the rotor replacement (scheduled towards late CY2015). Less than expected fuel availability at Ngatamariki has led the Company to bring forward drilling on a new production well which is currently underway. We expect Ngatamariki to be back from its 72MW output currently to 82MW by the end of calendar year 2014.

The utilisation of gas-fired generation from the Southdown station was well down on previous periods with just 31GWh in the quarter and a record low generation of 125GWh for the year ending 30 June. The Company is reviewing the role of Southdown and options for the future of the plant.

REDUCED COMMERCIAL SALES COMMITMENTS, IMPROVING OUTCOMES IN WHOLESALE

Commercial volumes (from Fixed Price Variable Volume contracts and CFD contracts) fell on pcp as the Company actively managed its sales book, to gain additional flexibility with hydro generation rather than using this generation capacity to hedge low fixed-priced commercial sales. Residential electricity sales volumes were also slightly lower due to warmer weather and reduced acquisition and retention activity in the South Island. The average price for generation during the quarter was \$71.67/MWh, outperforming the market average and other large generators. The relative price paid for purchases compared to the wholesale price the Company received for its generation (LWAP/GWAP), was flat on pcp despite the additional base-load geothermal generation. The 12 month ratio (LWAP/GWAP) was below unity for the first time in four years.

Mighty River Power will release its financial results for the 12 months ended 30 June 2014 on 20 August 2014.



OPERATING STATISTICS

Operating Information	Three months ended 30 June 2014		Three months ended 30 June 2013		Twelve months ended 30 June 2014		Twelve months ended 30 June 2014 PFI ¹		Twelve months ended 30 June 2013	
Electricity Sales	VWAP ² (\$/MWh)	Volume (GWh)	VWAP ² (\$/MWh)	Volume (GWh)	VWAP ² (\$/MWh)	Volume (GWh)	VWAP ² (\$/MWh)	Volume (GWh)	VWAP ² (\$/MWh)	Volume (GWh)
FPVV sales to customers	122.17	1,185	126.76	1,316	117.70	4,844	118	5,255	117.28	5,252
FPVV sales to residential customers		639		678		2,449				2,550
FPVV sales to business customers		546		638		2,395				2,702
FPVVPurchases from market		1,244		1,379		5,086				5,539
Spot customer purchases		340		469		1,572				2,058
Total NZEM Purchases	73.80	1,584	82.17	1,848	71.16	6,658	65-75		75.80	7,596
Electricity Customers (000's)	382,000		388,000							
North Island Customers	347,000		349,000							
South Island Customers	35,000		39,000							
Dual Fuel Customers	40,000		41,000							
Contracts for Difference		Volume (GWh)		Volume (GWh)		Volume (GWh)		Volume (GWh)		Volume (GWh)
Buy CfD		493		704		2,230				2,644
Sell CfD		733		784		3,255				3,841
End User CfD		424		554		1,976				2,258
Net Sell CfD ³		240		80		1,025		2,064		1,196
Electricity Generation	VWAP (\$/MWh)	Volume (GWh)	VWAP (\$/MWh)	Volume (GWh)	VWAP (\$/MWh)	Volume (GWh)	VWAP (\$/MWh)	Volume (GWh)	VWAP (\$/MWh)	Volume (GWh)
Hydro	74.21	815	81.89	737	74.86	3,497		3,900	75.45	3,944
Gas	94.43	31	89.83	107	86.13	125		359	102.53	425
Geothermal (consolidated) ⁴	67.33	609	75.38	478	66.68	2,451		2,560	70.54	1,855
Geothermal (equity accounted) ⁵	69.48	61	76.49	57	68.91	222		241	70.92	237
Total	71.67	1,515	80.03	1,379	71.69	6,295	65-75	7,060	75.65	6,462
LWAP/GWAP	1.03		1.03		0.99				1.00	
Gas Purchases	\$/GJ	PJ	\$/GJ	PJ	\$/GJ	PJ			\$/GJ	PJ
Retail purchases ⁶	8.82	0.29	8.73	0.32	8.96	1.02			8.88	1.09
Generation purchases	5.22	0.44	8.39	1.05	7.92	1.72			8.66	4.17
Carbon Emissions (000 tonnes CO ₂ e)	104		141		427				537	

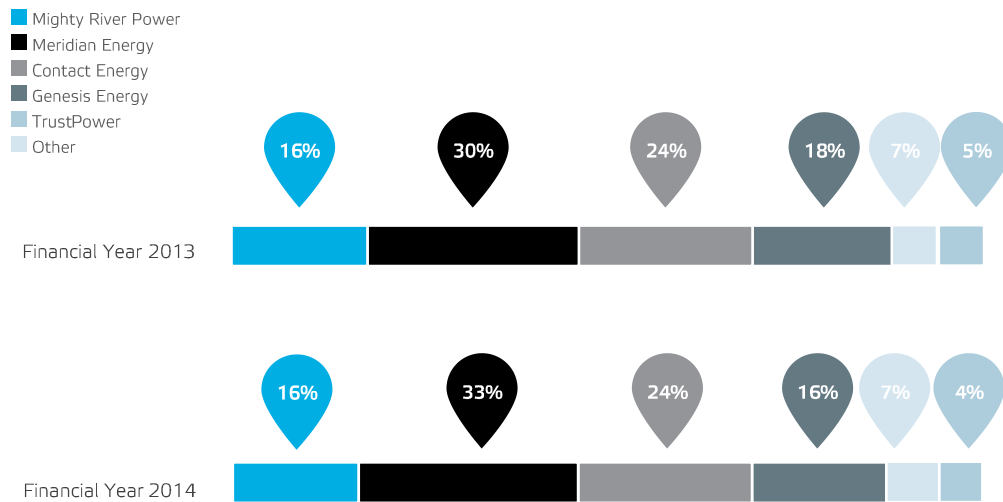
1. PFI is prospective financial information as outlined in Mighty River Power's Investment Statement and Prospectus (dated 5 April 2013)
2. VWAP is volume weighted average energy-only price sold to FPVV customers after lines, metering and fees
3. Includes Virtual Asset Swap volumes in both Buy and Sell CfD volumes of 174GWh for the 3 months ended 30 June 2014 and 162GWh for the 3 months ended 30 June 2013 and of 674GWh for the 12 months ended 30 June 2014 and 624GWh for the 12 months ended 30 June 2013
4. Includes Mighty River Power's 65% share of Nga Awa Purua generation
5. Tuaropaki Power Company (Mokai) equity share
6. Prices exclude fixed transmission charges



MARKET DATA



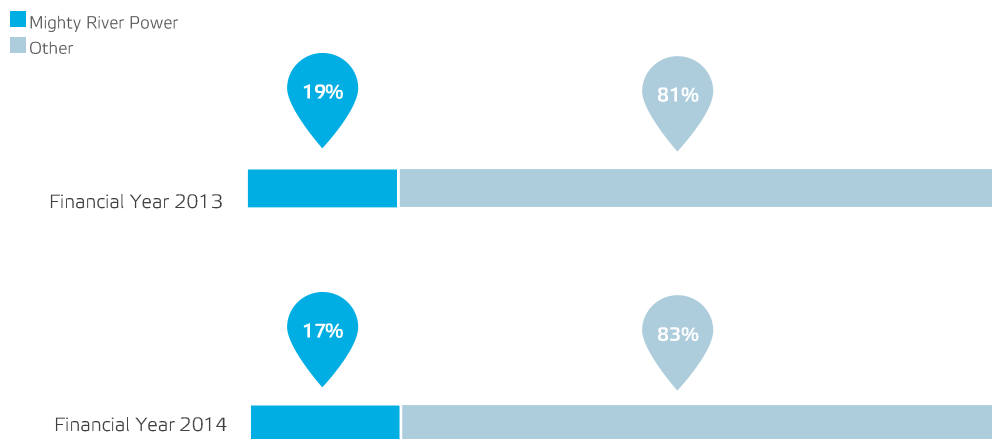
ELECTRICITY GENERATION BY COMPANY FOR THE TWELVE MONTHS ENDED 30 JUNE



Source: Electricity Authority Centralised Dataset, Transpower SCADA



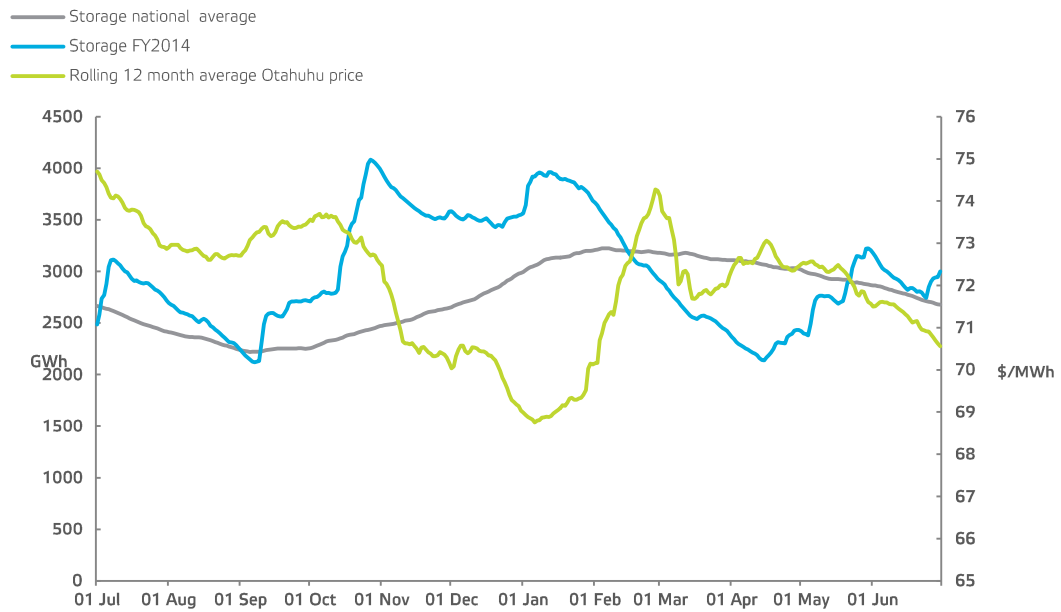
SHARE OF ELECTRICITY SALES (GWh) FOR THE TWELVE MONTHS ENDED 30 JUNE



Source: Mighty River Power Purchases and Transpower SCADA

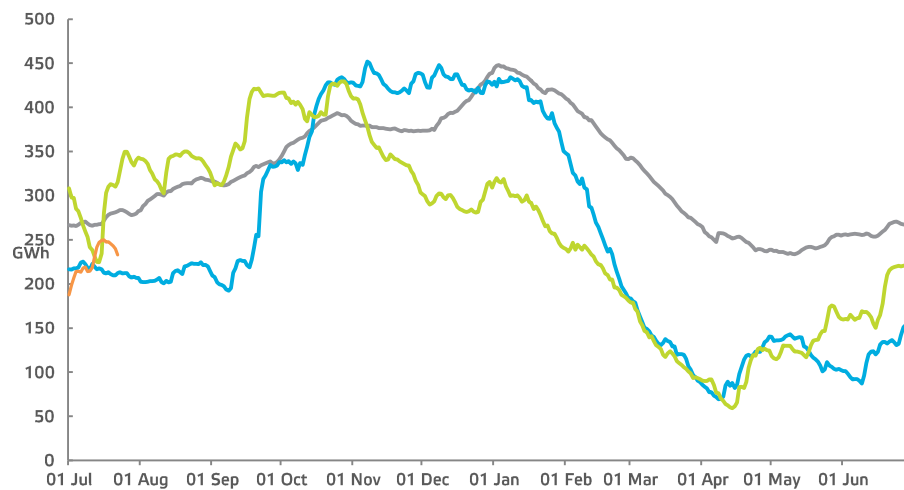


OTAHUHU WHOLESALE PRICE AND NATIONAL HYDRO STORAGE LEVELS



TAUPO STORAGE

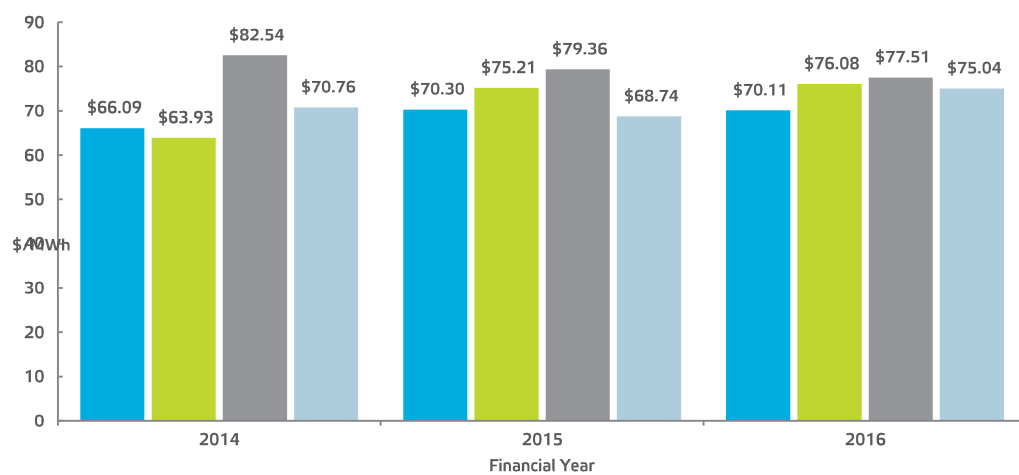
— Average since 1999 — FY2014 — FY2013 — FY2015





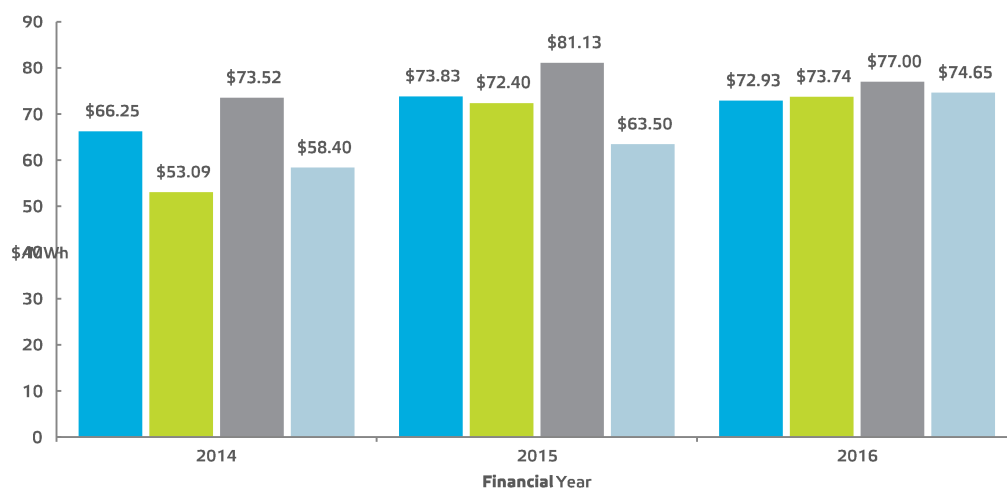
OTAHUHU ASX FUTURES SETTLEMENT PRICE

- As at 30 Jun 2013
- As at 31 Dec 2013
- As at 31 Mar 2014
- As at 30 Jun 2014



BENMORE ASX FUTURES SETTLEMENT PRICE

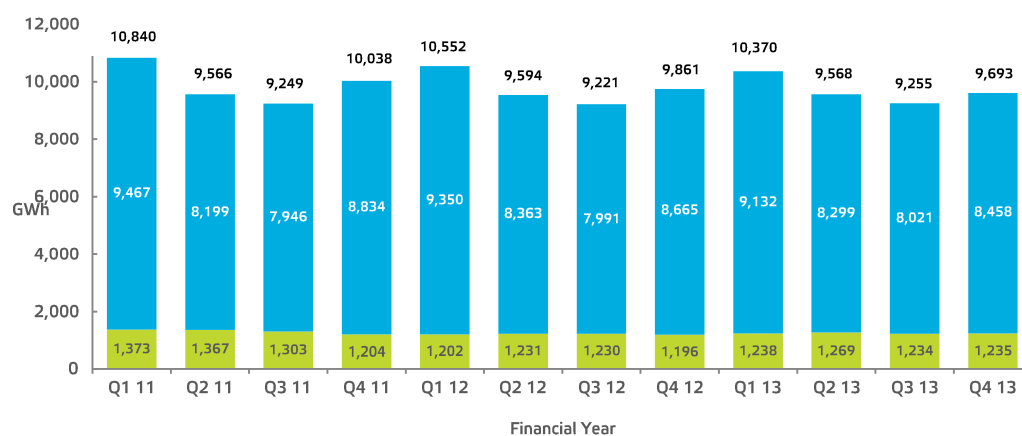
- As at 30 Jun 2013
- As at 31 Dec 2013
- As at 31 Mar 2014
- As at 30 Jun 2014





NATIONAL CONSUMPTION

■ Tiwai Point Aluminium Smelter consumption
■ National consumption



Source: Transpower Information Exchange



NATIONAL CLIMATE SUMMARY

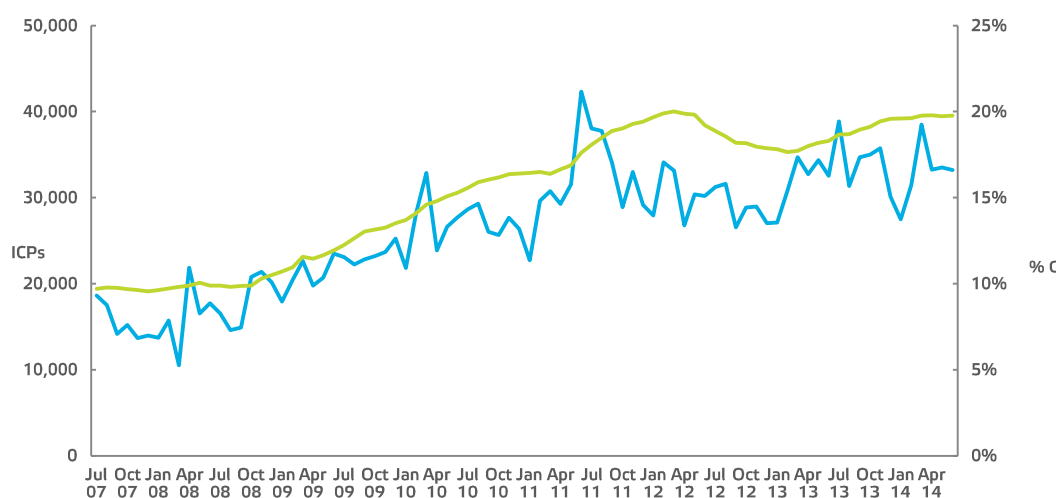
Financial Year	Q1	Q2	Q3	Q4
2014	12.3° C	16.7° C	18.9° C	14.8° C
2013	12.3° C	16.5° C	19.6° C	14.4° C
2012	11.5° C	16.6° C	18.9° C	14.0° C
Historical Average (since 1999)	11.9° C	16.1° C	19.4° C	14.1° C

Source: NIWA, Met Service



MONTHLY TOTAL CONSUMER RETAIL SWITCHING (ICP)

— ICP Retail Switching
— % Churn



Source: Electricity Authority