



Quarterly Operational Update

Three months ended 30 September 2014



QUARTERLY HIGHLIGHTS

2%

ENERGY PRICE down 2%

10%

ELECTRICITY GENERATION
up 10%

9,000

AMI METERS deployed during
the period



COMMENTARY

ELECTRICITY GENERATION UP 10%

Mighty River Power's operating statistics for the quarter to 30 September 2014 demonstrate a lift in total generation by 10% (170GWh) on the prior comparable period (pcp). Hydro generation was up 66GWh to 929GWh – but below average due to a continuation of weak inflows into the Waikato catchment. Lower inflows during the quarter saw higher generation at Southdown Power Station which provided support to Taupo storage and preservation of transmission benefits.

Base-load geothermal generation was consistent with the same period last year, which includes production from Ngatamariki from 1 July 2013 (pre-commissioning in September 2013). Geothermal generation during the quarter was impacted by the temporary de-rating of Nga Awa Purua (rotor replacement due late CY2015) and temporary fuel constraints at Ngatamariki. The connection of a new make-up well at Ngatamariki was completed mid-October, and the plant is now back to producing at full capacity.

ENERGY PRICES DOWN 2%, COMMERCIAL SALES VOLUMES DOWN

Mighty River Power's average electricity sales price to residential and commercial customers was \$121.06/MWh, down 2% on the pcp, and consistent with an industry-wide trend reflecting intense retail competition. Overall customer sales volumes were down 98GWh (7% on pcp) reflecting lower commercial volumes as the Company continued to manage its commercial sales book for value. Volumes in the residential market were in-line with the same period last year reflecting increased national consumption of electricity which was almost back to 2012 levels.

SMART METER DEPLOYMENT GAINS MOMENTUM

The quarter saw a lift in the number of AMI smart meters deployed by the Company's metering business, Metrix, with 9,000 units installed during the period in mainly Auckland and Dunedin – bringing the total to 351,000. Metrix was recently confirmed as the national metering provider for Trustpower, which includes the deployment of smart meters to Trustpower's 225,000 residential customers, starting in 2015.

Mighty River Power will release its financial results for the 6 months ending 31 December on 24 February 2015. ■



OPERATING STATISTICS

Operating Information	Three months ended 30 September 2014		Three months ended 30 September 2013	
Electricity Sales	VWAP ¹ (\$/MWh)	Volume (GWh)	VWAP ¹ (\$/MWh)	Volume (GWh)
FPVW sales to customers	121.06	1,332	123.47	1,430
FPVW sales to residential customers		768		766
FPVW sales to business customers		564		664
FPVW purchases from market		1,398		1,498
Spot customer purchases		359		455
Total NZEM Purchases	68.21	1,758	62.55	1,953
Electricity Customers ('000's)	384		385	
North Island Customers	349		347	
South Island Customers	35		38	
Dual Fuel Customers	40		41	
Contracts for Difference		Volume (GWh)		Volume (GWh)
Buy CfD		425		681
Sell CfD		897		941
End User CfD		429		552
Net Sell CfD ²		472		260
Electricity Generation	VWAP (\$/MWh)	Volume (GWh)	VWAP (\$/MWh)	Volume (GWh)
Hydro	72.53	929	67.35	863
Gas	71.27	157 ⁵	80.36	67
Geothermal (consolidated) ³	61.54	644	58.90	645
Geothermal (equity accounted) ⁴	62.39	61	61.78	46
Total	68.12	1,791	64.37	1,621
LWAP/GWAP	1.00		0.97	
Gas Purchases	\$/GJ	PJ	\$/GJ	PJ
Retail purchases ⁶	9.23	0.41	8.77	0.42
Generation purchases	8.07	1.42	8.71	0.75
Carbon Emissions ('000 tonnes CO ₂ e)	166		142	
Metrix AMI Meters('000)	351		336	

1. VWAP is volume weighted average energy-only price sold to FPVW customers after lines, metering and fees

2. Includes Virtual Asset Swap volumes in both Buy and Sell CfD volumes of 176.1GWh for the 3 months ended 30 September 2014 and 163.5GWh for the 3 months ended 30 September 2013

3. Includes Mighty River Power's 65% share of Nga Awa Purua generation

4. Tuaropaki Power Company (Mokai) equity share

5. Includes the virtual peaker operation

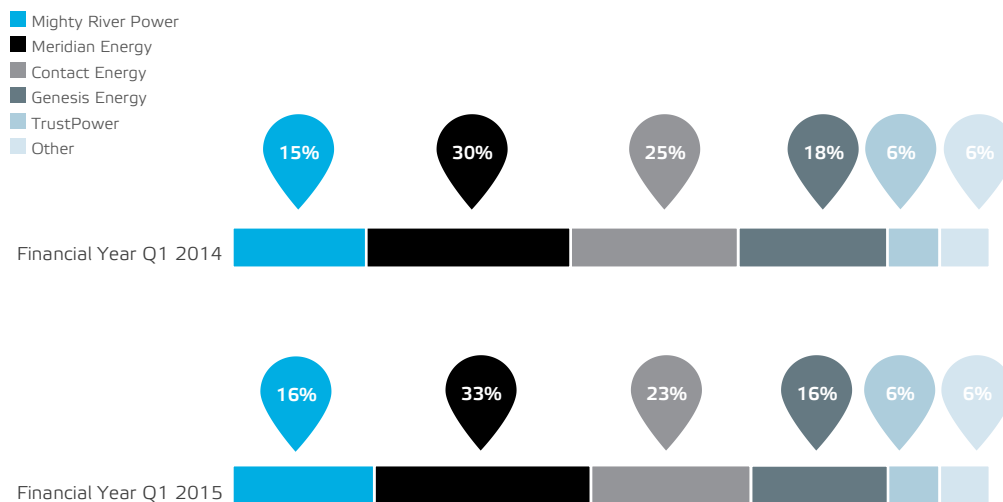
6. Prices exclude fixed transmission charges



MARKET DATA



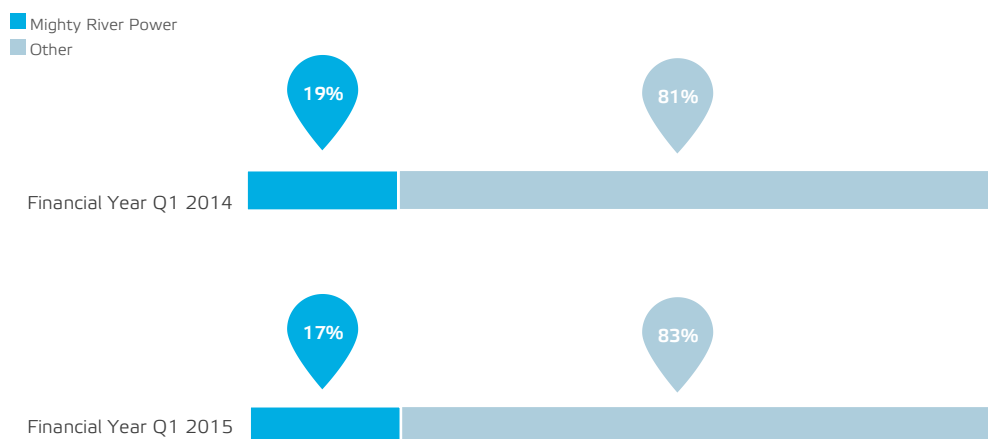
ELECTRICITY GENERATION BY COMPANY FOR THE THREE MONTHS ENDED 30 SEPTEMBER



Source: Electricity Authority Centralised Dataset, Transpower SCADA



SHARE OF ELECTRICITY SALES (GWh) FOR THE THREE MONTHS ENDED 30 SEPTEMBER

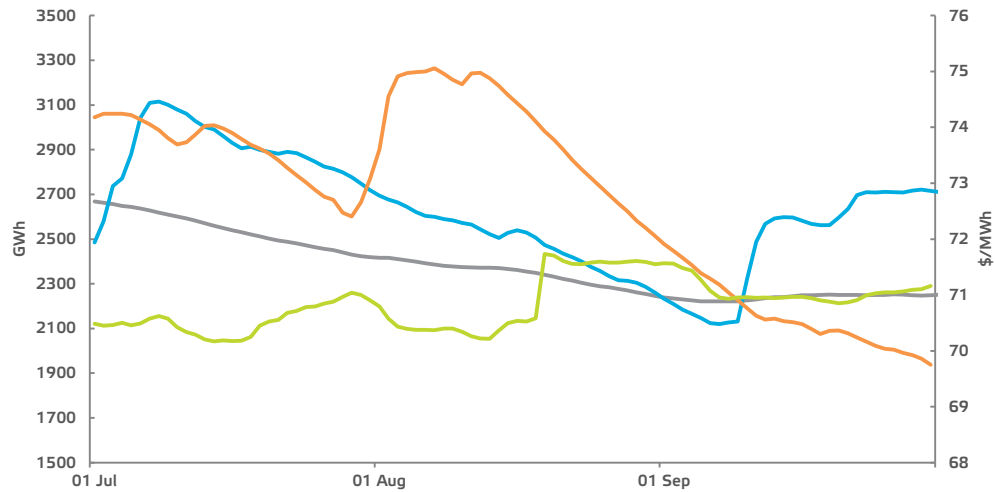


Source: Mighty River Power Purchases and Transpower SCADA



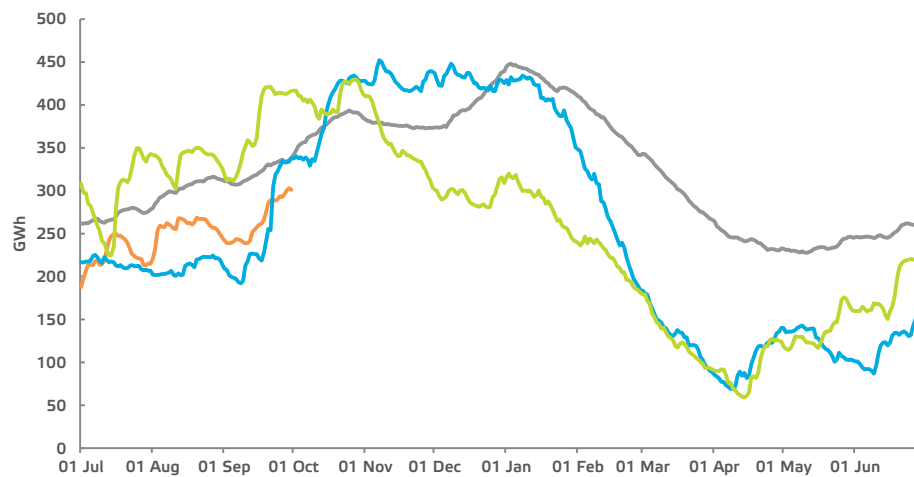
OTAHUHU WHOLESALE PRICE AND NATIONAL HYDRO STORAGE LEVELS

Storage national average Storage FY2014 Storage FY2015 Rolling 12 month average Otago price



TAUPO STORAGE

Average since 1999 FY2015 FY2014 FY2013





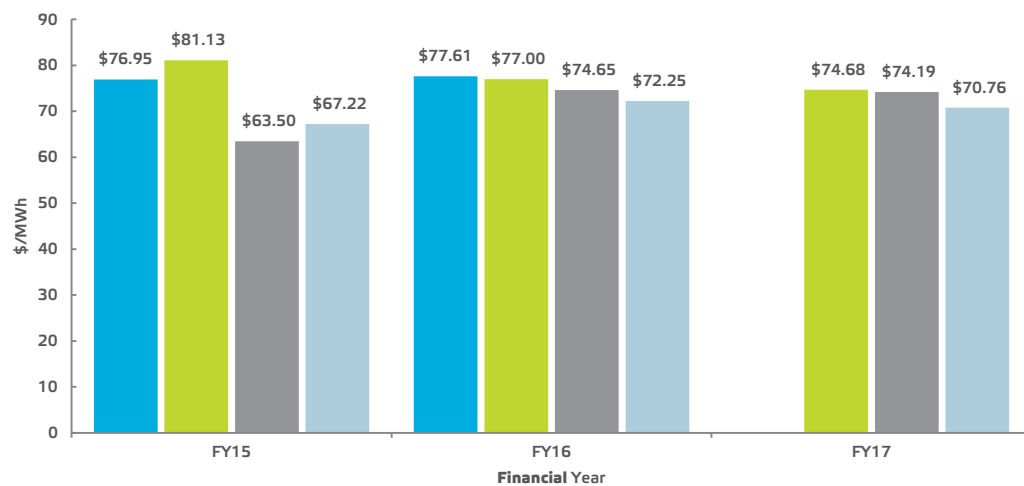
OTAHUHU ASX FUTURES SETTLEMENT PRICE

- As at 30 September 2013
- As at 31 March 2014
- As at 30 June 2014
- As at 30 September 2014



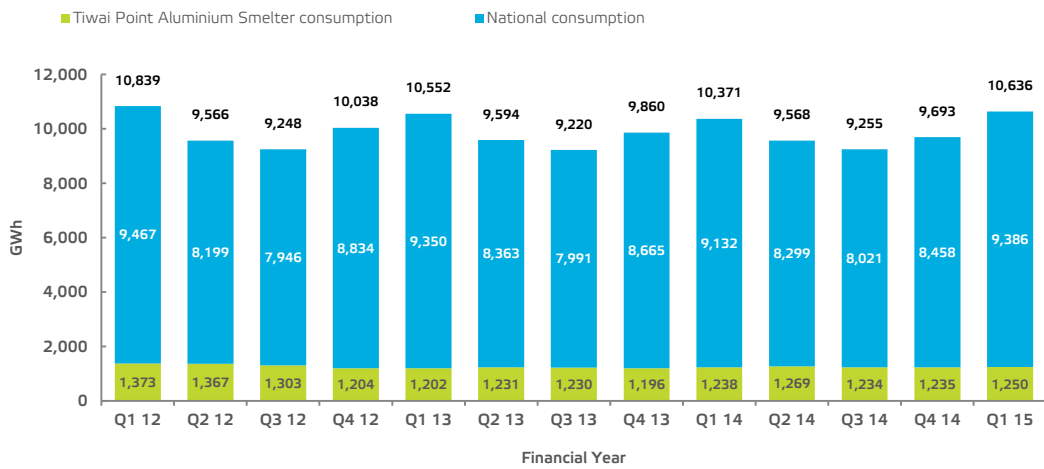
BENMORE ASX FUTURES SETTLEMENT PRICE

- As at 30 September 2013
- As at 31 March 2014
- As at 30 June 2014
- As at 30 September 2014





NATIONAL CONSUMPTION



Source: Transpower Information Exchange



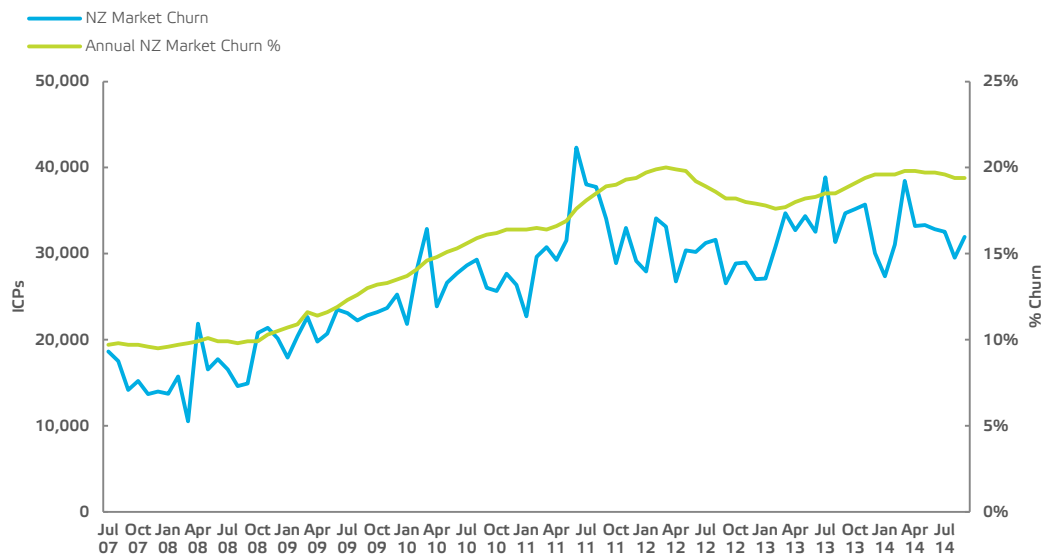
NATIONAL CLIMATE SUMMARY

Financial Year	Q1	Q2	Q3	Q4
2015	11.9° C	n/a	n/a	n/a
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
Historical Average (since 1999)	11.9° C	16.1° C	19.3° C	14.2° C

Source: NIWA, Met Service



MONTHLY TOTAL CONSUMER RETAIL SWITCHING (ICP)



Source: Electricity Authority