24 February 2015

Company Announcements Office
Exchange Centre
Level 6
20 Bridge Street
Sydney, NSW 2000 Australia

Dear Sir/Madam

Mighty River Power Limited (ASX:MYT) (ARBN 162 804 668)

Financial results for six months ended 31 December 2014

Attached are the following documents in relation to Mighty River Power's financial results for the six months ended 31 December 2014:

- Information required by ASX Appendix 4D
- News Release
- Financial commentary
- Analyst and Media presentations
- Financial statements and notes
- Auditor's Review Report
- ASX Listing Rule 4.2A.2A Directors' declaration
- NZX Appendix 7 in relation to Mighty River Power's interim dividend
- ASX Appendix 3C relating to announcement of buy-back

Yours faithfully

Tony Nagel

Company Secretary

Mighty River Power Limited		
Results for announcement to the market		
Reporting Period	6 months to 31 December 2014	
Previous Reporting Period	6 months to 31 December 2013	
	NZD Amount ($M)	Percentage change
Revenue from ordinary activities	874	+3.8%
Profit from ordinary activities after tax attributable to security holders	8	-93.5%
Net profit attributable to security holders	8	-93.5%
Earnings before net interest expense, income tax, depreciation, amortisation, change in fair value of financial instruments, impairments and equity accounted earnings (EBITDAF)	258	-4.4%
Underlying earnings after tax [1]	90	-14.3%
	NZD Amount	Percentage change
Basic and diluted earnings per share (weighted average number of shares)	$0.0058	-93.5%
Net tangible assets – ordinary shares (excluding treasury shares)	$2.14	-4.5%
Interim/Final Dividend	Amount per security	Imputed amount per security
Interim Dividend	$0.056	$0.021778 [2]
Record Date	12 March 2015	
Dividend Payment Date	31 March 2015	
Comments:	1. Underlying earnings after tax excludes one-off and/or infrequently occurring events (exceeding $10 million of net profit before tax). This is a non-GAAP measure.	
	2. A supplementary dividend of $0.009882 per share will be payable to shareholders who are not resident in New Zealand.	

Attachments:

- News Release
- Financial commentary
- Investor presentation
- Unaudited Interim Financial Statements for the period year ended 31 December 2014
- EY Review Report
- NZX Appendix 7
- ASX Listing Rule 4.2A.2A Directors' declaration

NEWS RELEASE
24 February 2015

NZX: MRP **ASX:** MYT

Forecast dividend unaffected by dry conditions

Mighty River Power's financial results for HY2015 reflect low rainfall over the period and non-cash impacts from the Company's decision announced in December to exit international geothermal development options.

The Company remains on track for a full-year ordinary dividend of 14 cents per share, in addition to a 5 cent special dividend paid in December 2014.

FINANCIAL HIGHLIGHTS:

- HY2015 EBITDAF of $258 million, down $12 million on prior comparable period (pcp) due to lower hydro generation and commercial sales
- Net profit after tax (NPAT) of $8 million, down $116 million on pcp largely due to non-cash impact from the previously-announced decision to exit international geothermal development options
- Underlying earnings of $90 million, down $15 million, reflecting lower EBITDAF and higher interest and depreciation costs following the commissioning of Ngatamariki geothermal station
- FY2015 ordinary dividend forecast unchanged at 14 cents per share, up 4% on FY2014
- Updated FY2015 EBITDAF guidance range of $480 million to $500 million, reflecting lower-than-average rainfall

FINANCIAL RESULTS

EBITDAF for the six months to 31 December 2014 was $258 million, down $12 million on pcp largely due to lower hydro generation and the continuation of the Company's approach of not renewing commercial contracts at low yields, said Mighty River Power Chair, Joan Withers.

NPAT was $8 million, with the Company's exit from geothermal development in Chile and Germany the primary driver of the $116 million lower result compared with pcp. This difference to pcp includes non-cash impairments ($83 million) along with the favourable fair value movements of $20 million recognised in the previous half year.

"As announced in December, following a rigorous review, we decided to exit international geothermal development options. The accounting implications of that is a key factor flowing through to the financial results for the period.

"We have taken some firm decisions about investment criteria and capital management over the past six months, and Mighty River Power is now clearly focused on delivering against the strategic priorities we outlined at the Annual Shareholders' Meeting in November – driving efficiencies in our core business, building on Mighty River Power's commercial strengths and developing longer-term growth opportunities."

Mrs Withers said the interim EBITDAF result underlined the strength of Mighty River Power's business and supports the deliberate decisions made to optimise the Company's electricity generation and sales mix through a period of intense competition and adverse North Island hydrology. Reliable base-load geothermal generation made up 40% of total generation, adding resilience to the Company's operating earnings through this period.

CEO, Fraser Whineray, said hydro generation was constrained by lower rainfall. "Over the interim period inflows to the Waikato River catchment were 18% below average and this has extended into the New Year, with hydrology post 31 December more than 40% below average." However, total generation was up more than 4% on pcp to 3,404 GWh – largely due to utilising committed higher cost natural gas at the Southdown power station, which offset lower hydro output.

"We have deliberately continued to reduce commercial sales renewals in a low-yield environment. This has provided the Company with greater flexibility to capture wholesale market opportunities."

Mr Whineray said it was encouraging to see thermal capacity being replaced by renewables in New Zealand's electricity market along with a lift in national demand. A more balanced supply-demand situation has contributed to the recent improvement in ASX electricity futures prices across all maturities, while strong competitive pressures remained on retail prices. These outcomes reflect a well-functioning electricity market.

DIVIDEND AND GUIDANCE

Mighty River Power maintained strong cash flows through the interim period – supporting the forecast ordinary dividend of 14 cents for FY2015, up 4% on the previous financial year, Mrs Withers said. In line with this forecast and the Company's dividend policy, the Board today declared a fully imputed interim dividend of 5.6 cents per share, to be paid on 31 March.

The Company paid a special dividend of 5 cents per share (worth $69 million) to shareholders in December 2014, which was confirmed as part of Mighty River Power's ongoing capital management. Since listing in May 2013, Mighty River Power has paid dividends of 31.3 cents per share, and more than 95,000 eligible holders will also receive a 1-for-25 loyalty bonus share transfer from the Crown in May 2015.

With the low rainfall post balance date, Mrs Withers said the Board had issued updated earnings guidance with FY2015 EBITDAF to be in the range of $480 million to $500 million. This guidance is subject to any material adverse events, significant one-off expenses or other unforeseeable circumstances.

STRATEGIC PRIORITIES

With regard to strategic priorities, Mr Whineray said the Company was "very focused on our customers and providing offers that deliver value to them".

"Since the beginning of the New Year we have confirmed no increase in headline energy pricing for our residential customers on 1 April 2015. Further, through our hi-tech GLOBUG service, we are matching the flexibility of pre-pay electricity with the offer of market-leading pricing for nearly half a million Community Services Card holders."

The Company's metering business, Metrix, is well underway with preparation for the roll-out of 'smart' meters in partnership with Trustpower while also considering other growth opportunities.

Mr Whineray said Mighty River Power was pleased to have confirmed a 52-year agreement with Tuwharetoa Maori Trust Board in December 2014 around the storage of water in Lake Taupo. The Company was also encouraged by the support building for the widespread adoption of plug-in electric vehicles in New Zealand.

The Company had also concluded a sale of geothermal assets in Germany this month and a sale process of the assets in Chile was underway, he said.

"New Zealand's renewable electricity is a competitive advantage for the country. We believe this can be greatly leveraged over the long-term, delivering even better environmental outcomes and greater economic resilience by reducing New Zealand's reliance on imported fossil fuels that are expensive for Kiwi consumers."

ENDS

www.mightyriver.co.nz

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Mighty River Power is a company with a great New Zealand heritage, and a leader in this country's electricity industry. Our core business is focused on harnessing natural resources to produce electricity.

Every year the power stations operated by Mighty River Power generate enough electricity for about 1 million New Zealand homes. We are proud to be more than 95% renewable and, through our listing on the New Zealand Stock Exchange (NZX: "MRP") and the Australian Stock Exchange (ASX: "MYT"), to have over 100,000 shareholders alongside the Crown as our majority owner.

Mighty River Power supplies electricity to about 1-in-5 homes and businesses across New Zealand, through our flagship brand Mercury Energy and other specialty brands. Our metering business, Metrix, the second largest meter provider in New Zealand, is building an important strategic platform with a growing network of 'smart' meters and services to electricity retailers and their customers. We are one of the world's largest geothermal power station owners.

FINANCIAL COMMENTARY
24 February 2015

Financial Results for the six months ended 31 December 2014

The following commentary provides analysis[1] comparing the six months ended 31 December 2014 with the prior six months ended 31 December 2013.

FINANCIAL HIGHLIGHTS

	HY2015 ($m)	HY2014 ($m)	Change on HY2014 ($m)	Change on HY2014 (%)
Energy Margin[2]	**341**	**360**	**(19)**	**(5.3)**
Other revenue	18	15	3	20.0
Operating Expenses	(101)	(105)	4	(3.8)
EBITDAF[2]	**258**	**270**	**(12)**	**(4.4)**
Depreciation and Amortisation	(85)	(78)	(7)	9.0
Change in the fair value of financial instruments	1	20	(19)	(95.0)
Impairments	(83)	-	(83)	n/a
Equity accounted earnings of associate companies and interest in joint ventures	1	-	1	n/a
Net interest expense	(48)	(39)	(9)	23.1
Tax expense	(36)	(49)	13	(26.5)
Profit for the period	**8**	**124**	**(116)**	**(93.5)**
Underlying earnings after tax[2]	**90**	**105**	**(15)**	**(14.3)**
Capital Expenditure	**56**	**51**	**5**	**9.8**
Free cash flow[2]	**134**	**143**	**(9)**	**(6.3)**
Dividend per share (cents)	**5.6**	**5.2**	**0.4**	**7.7**
Basic and diluted earnings per share (cents)	**0.58**	**8.86**	**(8.28)**	**(93.5)**

1. This announcement is based on the consolidated financial statements of Mighty River Power Limited for the six months ended 31 December 2014. For more detailed analysis and explanation please refer to the attached full year financial statements
2. Energy Margin, EBITDAF, Underlying Earnings After Tax and Free Cash Flow are all Non-GAAP measures. Please see the end of this release for a reconciliation of these measures

Overview

Mighty River Power's financial results for the six months ended 31 December 2014 demonstrate a sharp focus on multi-year value optimisation, which limited the impact of maturing higher-yield commercial contracts and dry weather in the Taupo catchment.

The Company's decision to not renew maturing 2-3 year commercial contracts at lower yields has helped support the average electricity price received for energy. The Company is now well-positioned to capture value across its generation and sales portfolio and to take advantage of developing market conditions, with lower thermal fuel commitments across the industry and recovering national demand. Mighty River Power continued its drive for effectiveness and efficiency across its operating business over the period through selling surplus land and managing costs. This has partially offset the impact of constrained hydro production during the period.

The exit announcement in December from international geothermal development is on track with a sale of the German assets complete and the Chilean divestment process underway. Non-cash impairments of $83 million were recognised in the period relating to this exit from these development options that no longer meet the Company's investment criteria.

Mighty River Power maintained strong operating cash flows through the interim period supporting the forecast ordinary dividend for the full year of 14 cents, up 4% on the previous financial year, on top of the special dividend paid of 5 cents per share in December. In line with this forecast and the Company's dividend policy, the Board has declared a fully imputed interim dividend of 5.6 cents per share, to be paid on 31 March.

As a consequence of persisting dry weather since period end, the Board and Management are now expecting EBITDAF in the range of $480 million to $500 million (previous guidance provided at the Annual Shareholders' Meeting in November 2014 was towards the bottom end of the range of $495 million to $520 million which assumed average hydrology).

As announced, the Company remains focused on a strategic priorities including a range of customer-first initiatives and driving efficiencies across the business. Mighty River Power is delivering near-term growth with the Trustpower meter roll-out set to begin in mid-2015 and with the pre-pay GLOBUG service being extended to Community Services Card holders across New Zealand.

EBITDAF

EBITDAF fell $12 million to $258 million, reflecting lower hydro production and maturing higher-yield commercial contracts that the Company opted not to renew at lower prices. These impacts were partly offset by increased deployment of smart meters, property sales and the Company's continued drive for efficiencies leading to a lower cost base.

Energy Margin for HY2015 fell $19 million from $360 million to $341 million. During the period, the Company experienced another dry sequence with hydro generation 97GWh lower than the prior comparable period (representing a loss of $6 million). Less North Island-South Island price separation following transmission upgrades, lower hydro generation and higher thermal generation have contributed to an unfavourable movement in the price paid for electricity purchases relative to price received for generation (LWAP/GWAP). Commercial volumes (both fixed price variable volume and CFD) fell 468GWh on the prior period as the Company chose not to enter into fixed price multi-year commitments at the prevailing lower yields. Partly offsetting these impacts, Energy Margin benefited from two months of additional revenue from Ngatamariki geothermal station (99GWh) where revenues were capitalised up to commissioning in September 2013.

ENERGY MARGIN

$ million	HY2015	HY2014
Sales	856	827
Less: lines charges	(223)	(227)
Less: energy costs	(266)	(216)
Less: other direct cost of sales	(14)	(13)
Less: third party metering	(12)	(11)
Energy Margin	**341**	**360**

Operating costs were $4 million lower than the prior period partly reflecting additional cost savings achieved during the period, including costs relating to international geothermal development options (down $1 million to $2 million) and lower insurance premiums following a reduction in the Company's insurance limit to an appropriate level for the risk ($1 billion).

'Other income' increased $3 million reflecting higher Metrix revenue as deployment of smart meters continued and property sales completed during the period.

Depreciation and amortisation

Asset revaluations in June 2014 and the commissioning of the Ngatamariki geothermal plant in early September 2013 lifted depreciation and amortisation $7 million to $85 million, compared with $78 million in the prior period.

Change in the fair value of financial instruments

The Company recognised $1 million in the change in the non-cash fair value of financial instruments down from $20 million in the prior period, resulting from the roll-off of interest rate swaps and gains in the value of non-hedge accounted electricity derivatives, mostly offset by the impact of lower forward interest rates.

Impairments

Following the Company's announcement in December 2014, of its intention to exit geothermal development projects in Germany and Chile and commit no further capital into our United States investment, the Company recognised $83 million of non-cash impairments.

The sale of the German development options was completed in February for a nominal amount with no residual obligations in relation to these projects. Mighty River Power's Chilean assets were fully impaired with the divestment process underway for a sale as a going concern. Our investment in the United States was impaired by $14 million to a carrying value of $12 million following a review of the forecast revenues and costs across the plant and steam field and the flow-on effects to the tax equity financing.

IMPAIRMENTS

$ million	HY2015
Chile	56
Germany	13
United States	14
Total	**83**

Equity accounted earnings of associates' and joint ventures

Equity accounted earnings of associates and joint ventures were $1 million (HY2014: nil) reflecting lower losses from our joint venture earnings in the US, which were impacted by a $4 million loss reflecting unsuccessful exploration in HY2014. Equity accounted losses of interest in associate companies (relating to the Tuaropaki Power Company at Mokai) fell $3 million due to non-cash fair value movements.

EQUITY ACCOUNTED EARNINGS OF ASSOCIATES AND JOINT VENTURES

$ million	HY2015	HY2014
Equity accounted earnings of associate companies	1	4
Equity accounted losses of interest in joint ventures	-	(4)
Earnings of associates and joint ventures	**1**	**-**

Net Interest expense

Net interest increased $9 million to $48 million, reflecting $6 million of capitalised interest included in HY2014 and higher interest costs following $300 million of Capital Bonds issued in July 2014.

Taxation

Tax expense was down $13 million to $36 million, representing an effective tax rate for the period of 28% in line with the corporate tax rate.

Profit for the period

Overall, profit for the period fell $116 million, principally reflecting non-cash impairments of $83 million as a result of the decision to exit international geothermal development interests in Chile and Germany and $20 million of non-cash fair value movements which increased the HY2014 profit.

Earnings per share

Earnings per share of 0.58 cents per share fell relative to HY2014 (8.86) due to the decrease in profit for the period as previously explained.

Underlying earnings after tax

Mighty River Power's underlying earnings were $90 million, $15 million lower than the prior period reflecting lower EBITDAF and additional interest and higher depreciation costs relating to the commissioning of Ngatamariki in early September 2013.

UNDERLYING EARNINGS

$ million	HY2015	HY2014
Profit for the period	8	124
Change in fair value of financial instruments	(1)	(20)
Change in fair value of financial instruments of associate and joint ventures	-	(5)
Impairments	83	-
Tax expense on adjustments	-	6
Underlying earnings after tax	**90**	**105**

Cash Flow

Net cash provided from operating activities increased by $5 million to $176 million (HY2014: $171 million) reflecting a change in Vector's lines billing cycle and lower cash taxes. This was partly offset by $10 million unfavourable net cash flows from customers, suppliers and employees reflective of the lower EBITDAF. Interest paid increased by $7 million reflecting the costs associated with the issue of the Capital Bond in July.

Net cash outflows from financing activities increased from $32 million reflective of the $69 million special dividend paid in December, repayment of the $235 million of drawn bank facilities and commercial paper along with $300 million inflows from the Capital Bonds issued in July 2014.

Free cash flow fell slightly from the prior year to $134 million reflecting a higher level of stay-in-business expenditure (set out below).

FREE CASH FLOW

$ million	HY2015	HY2014
Net cash provided by operating activities	176	171
Less: Stay-in-business capital expenditure (accruals basis)	(42)	(28)
Free cash flow	**134**	**143**

Capital expenditure

Total capital expenditure increased from $51 million to $56million. Stay-in-business capital expenditure was higher-than-average at $42 million reflecting the successful drilling of two new wells at Ngatamariki and Rotokawa during the period. Growth capital expenditure mainly related to expenditure by Metrix for the roll-out of 'smart' meters and related services.

$ million	HY2015	HY2014
Stay-in-business capital expenditure	42	28
Growth capital expenditure	14	23
Capital Expenditure	**56**	**51**

Balance sheet

Year-on-year total assets fell $114 million to $5,563 million, principally reflects a $89 million decrease in property, plant and equipment which reflects the impairments relating to international geothermal development and higher depreciation.

Mighty River Power's net tangible assets per share as at 31 December 2014 were $2.14 compared with $2.24 at 31 December 2013.

Funding and debt maturity

Net debt as at 31 December was $1,080 million, some $49 million higher than 30 June 2014, reflecting $300 million of capital bonds issued in July 2014 partly offset by the repayment of $235 million of drawn bank facilities. Drawn debt as at 31 December 2014 was $1,110 million (30 June 2014: $1,045 million) with undrawn facilities of $300 million (30 June 2014: $335 million). The average maturity profile for committed facilities at period end was 10.3 years compared with 4.4 years at 30 June 2014. **Declared Dividends**

At the time of the Annual Shareholders' Meeting in November 2014, the Company revised its dividend policy to make distributions with a pay-out ratio of 70% to 85% of Free Cash Flow on average over time. Dividend payments are split into an interim dividend paid in March, targeting 40% of the total expected dividend for the financial year, and a final dividend paid in September.

Mighty River Power also announced at the time that following the positive financial performance achieved in FY2014, and in light of the capital structure, the Board was able to declare a fully imputed special dividend of 5 cents per share, worth $69 million. This was paid to shareholders on 11 December 2014.

Full year ordinary dividend guidance of 14 cents per share remains unchanged, representing a 4% increase on FY2014 levels. Consistent with the dividend policy, the Board has declared a fully imputed interim dividend of 5.6 cents per share to be paid on 31 March 2015.

The dividend will be fully imputed which amounts to an imputation credit of 2.18 cents per share. The Company will also pay a supplementary dividend of 0.99 cents per share in relation to non-resident shareholders. The Company will receive from the IRD a tax credit equivalent to the supplementary dividend.

INTERIM DIVIDEND TIMETABLE

	Date	Event
Ex-dividend date	10 March 2015	To receive the final dividend investors must own or have purchased shares before the ex-dividend date
Record date	12 March 2015	Investors who own shares as at the ex-dividend date will appear on Mighty River Power's share register on12 March 2015
Payment date	31 March 2015	All shareholders on the 12 March share register will be paid their final dividend by cheque or direct into their bank account on 31 March 2015

Share buyback documentation lodged

Mighty River Power has now lodged the required documentation to give the Company the option to buy back shares over the next 12 months as market conditions warrant. The purchase of up to 15 million ordinary shares may occur from 27 February 2015 and may continue until 23 February 2016 and any ordinary shares brought back will not be cancelled and will be held by the company as treasury stock. As outlined in the Company's Annual Shareholders' Meeting, transactions will be executed only if a buyback of shares would benefit the Company and Mighty River Power shareholders.

FY2015 guidance and outlook

Drier-than-average conditions across the Taupo catchment during the first eight months of FY2015 has led to a reduction in forecast hydro production by 445GWh,worth almost $35 million. As noted, surplus property sales and control of operating costs will partly offset some of the impact of dry weather. However full year EBITDAF is now expected to be in the range of $480 million to $500 million (previous guidance being toward the lower end of $495 million to $520 million range) subject to any material adverse events, significant one-off expenses or other unforeseeable circumstances including hydrological conditions.

In providing FY2015 Company guidance Mighty River Power has made the following assumptions:

- 3,455GWh of hydro production, which assumes average inflows from March until year end;
- FY2015 operating costs comparable with FY2014 levels; and
- the completion of additional property sales.

The sale of the Chilean development assets will trigger the release of a foreign exchange translation reserve which will adversely impact operating costs by around $10 million when completed. This is a non-cash impact and has not been factored into EBITDAF guidance.

Following some re-phasing of expenditure into FY2016, for FY2015 the Company now expects capital expenditure of $120 million (previously $145 million), including $85 million Stay-in-business capital expenditure (previously $95 million) and $35 million committed growth capital expenditure (previously $50 million).

The full year ordinary dividend guidance of 14.0 cents per share is maintained.

LIVE WEBCAST

The briefing will be held at 11am (NZ time) when Chief Executive, Fraser Whineray and Chief Financial Officer, William Meek, will provide commentary and take questions. You can view the live webcast by clicking here.

NON-GAAP FINANCIAL INFORMATION

The Company believes that the following Non-GAAP financial information is useful to investors for the reasons set out below. Mighty River Power has reported these measures of financial performance to date and intends to do so in the future, allowing investors to compare periods. The basis of these calculations can either be found below or as part of the Financial Statements.

EBITDAF is reported in the income statement of the Financial Statements and is a measure that allows comparison across the electricity industry. EBITDAF is defined as earnings before net interest expense, income tax, depreciation, amortisation, change in fair value of financial instruments, impairments and equity accounted earnings.

Energy Margin is defined as sales less lines charges, energy costs and other direct cost of sales, including metering. Energy Margin provides a measure that, unlike sales or total revenue, accounts for the variability of the wholesale spot market and the broadly offsetting impact of wholesale prices on the cost of retail electricity purchases and can be derived from the financial statements as follows:

ENERGY MARGIN

$ million	HY2015	HY2014
Sales	856	827
Less: lines charges	(223)	(227)
Less: energy costs	(266)	(216)
Less: other direct cost of sales	(14)	(13)
Less: third party metering	(12)	(11)
Energy Margin	**341**	**360**

Underlying Earnings reported in Note 3 of the Financial Statements, is net profit for the half year adjusted for one-off and/or infrequently occurring events exceeding $10 million of net profit before tax, impairments and any changes in the fair value of derivative financial instruments. In contrast to net profit, the exclusion of certain items enables a comparison of the underlying performance across time periods.

Net Debt is defined as current and non-current loans less cash and cash equivalents and loan fair value adjustments and is a metric commonly used by investors and can be derived from the Financial Statements as follows:

NET DEBT

$ million	As at 31 December 2014	As at 30 June 2014	As at 31 December 2013
Current borrowings at carrying value	10	56	105
Add: Non-current loans at carrying value	1,127	985	972
Add: Fair value adjustments US Private Placement	(24)	9	2
Less: cash and cash equivalents	(33)	(19)	(35)
Net debt	**1,080**	**1,031**	**1,044**

Free Cash Flow is net cash provided by operating activities less stay-in-business capital expenditure (including accrued costs). Free cash flow is a measure that the Company uses to evaluate the levels of cash available for debt repayments, growth capital expenditure and dividends.

FREE CASH FLOW

$ million	HY2015	HY2014
Net cash provided by operating activity	176	171
Less: Stay-in-Business capital expenditure (including accrued costs)	(42)	(28)
Free cash flow	**134**	**143**

www.mightyriver.co.nz

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24 February 2015

Financial Results

Six months ended 31 December 2014

MIGHTY RIVER POWER

Presented by:

Fraser Whineray
Chief Executive

William Meek
Chief Financial Officer

Disclaimer

The information in this presentation has been prepared by Mighty River Power Limited with due care and attention. However, neither the Company nor any of its directors, employees, shareholders nor any other person shall have any liability whatsoever to any person for any loss (including, without limitation, arising from any fault or negligence) arising from this presentation or any information supplied in connection with it.

This presentation may contain projections or forward-looking statements regarding a variety of items. Such projections or forward-looking statements are based on current expectations, estimates and assumptions and are subject to a number of risks, uncertainties and assumptions. There is no assurance that results contemplated in any projections and forward-looking statements in this presentation will be realised. Actual results may differ materially from those projected in this presentation. No person is under any obligation to update this presentation at any time after its release to you or to provide you with further information about Mighty River Power Limited.

A number of non-GAAP financial measures are used in this presentation, which are outlined in the appendix of the presentation. You should not consider any of these in isolation from, or as a substitute for, the information provided in the audited consolidated financial statements for the six months ended 31 December 2014, which are available at www.mightyriver.co.nz.

Forward-looking statements are subject to any material adverse events, significant one-off expenses or other unforeseeable circumstances including hydrological conditions.

The information in this presentation is of a general nature and does not constitute financial product advice, investment advice or any recommendation. Nothing in this presentation constitutes legal, financial, tax or other advice.

Agenda

HIGHLIGHTS

Active management optimising value over time

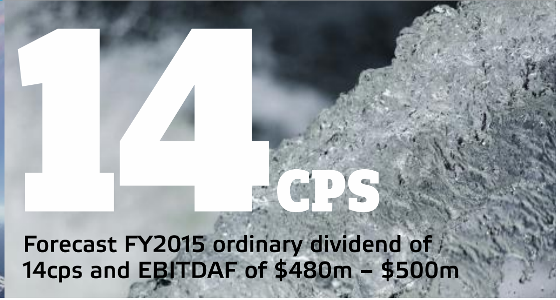
FOCUSED
on customer-first initiatives and growth

2 YEAR DRY-SPELL
Proactive portfolio management

$10M
Cost savings in addition to $20m achieved in FY2014

Achieved
STABLE
energy price reflecting decision not to renew commercial volumes at low yields

Exit of
INTERNATIONAL
geothermal development options as no longer met investment criteria



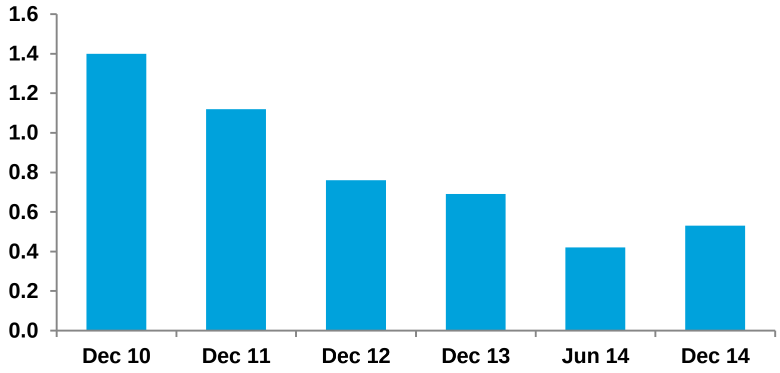
14 CPS
Forecast FY2015 ordinary dividend of 14cps and EBITDAF of $480m – $500m

Focus on zero-harm and total industry safety outcomes through Staylive

Health and safety

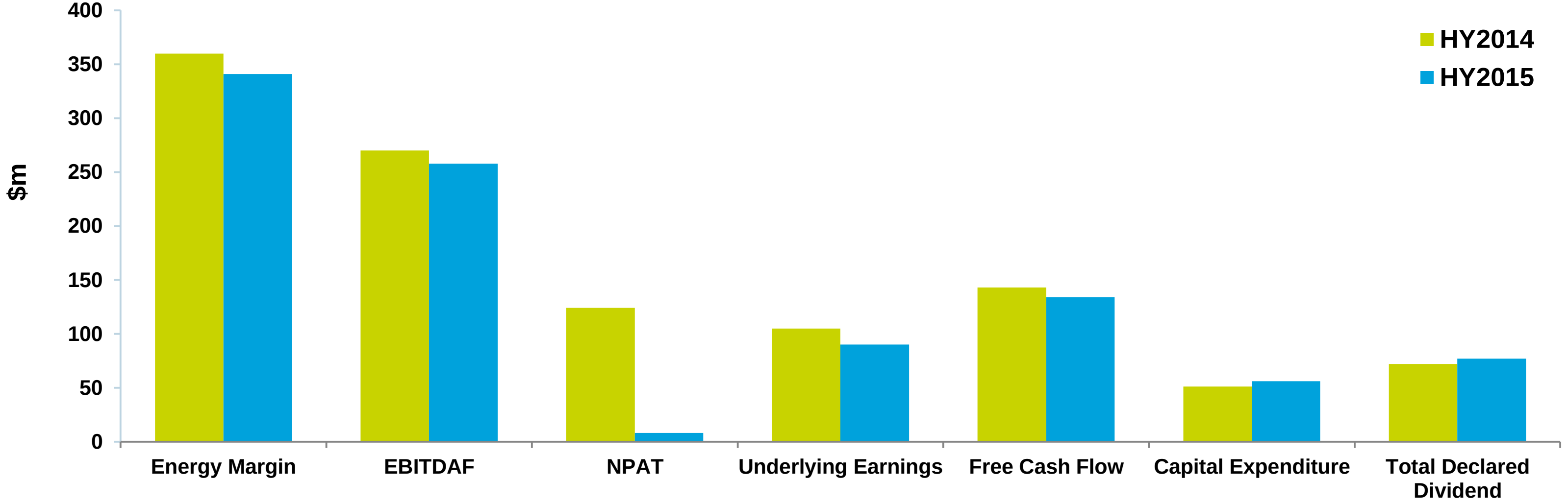
- Goal continues to be zero-harm – extensive engagement with contractors and subcontractors
  - no serious harm incidents during the period with TRIFR limited to low severity incidents
  - implemented contractor pre-qualification, providing a framework for improved safety standards
- Aim for both industry and Company to be best in class
  - Industry-wide initiatives benefiting from StayLive including sharing of investigation outcomes

TOTAL RECORDABLE INJURY FREQUENCY RATE (TRIFR)
(rolling 12 month, per 100,000 hours; includes contractors)



HIGHLIGHTS

HY2015 vs HY2014

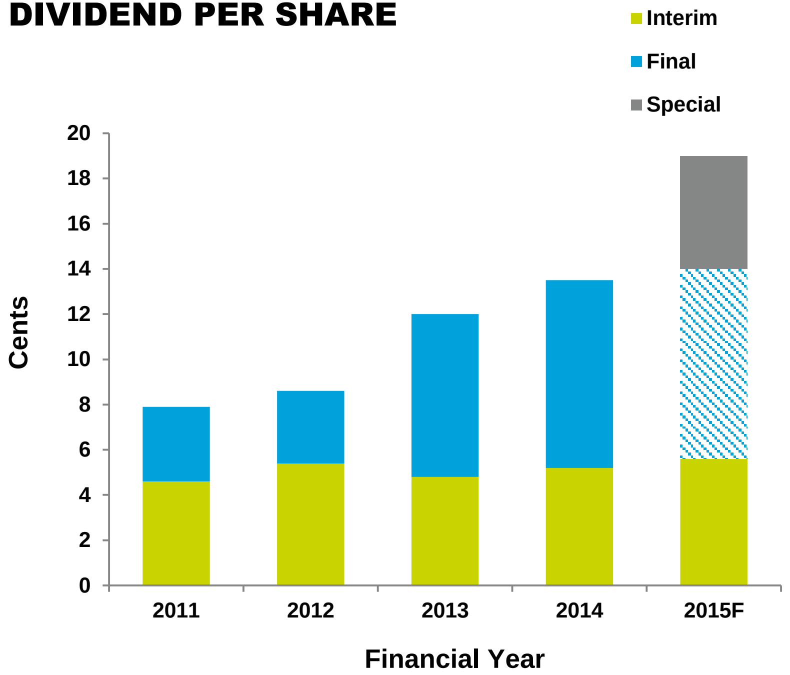


- Energy Margin, EBITDAF and Underlying Earnings impacted by lower hydro generation and the roll off of higher yield commercial contracts put in place in 2012
- Profit relative to prior period impacted by non-cash $83m impairment relating to exiting international geothermal development and favourable fair value movements of $20m recognised in the previous half year
- Free cash flow and capital expenditure impacted by higher-than-average reinvestment capital expenditure (drilling two geothermal wells)

Dividend

- HY2015 fully imputed dividend up 8% to 5.6 cents per share
- Guidance maintained of 14 cents per share FY2015 fully imputed dividend
  - new dividend policy targets 70% to 85% of Free Cash Flow on average over time
- Capital management continues to be reviewed
  - paid special dividend of 5 cents per share ($69m) in December 2014
  - optionality for share buy back if beneficial to shareholders

DIVIDEND PER SHARE

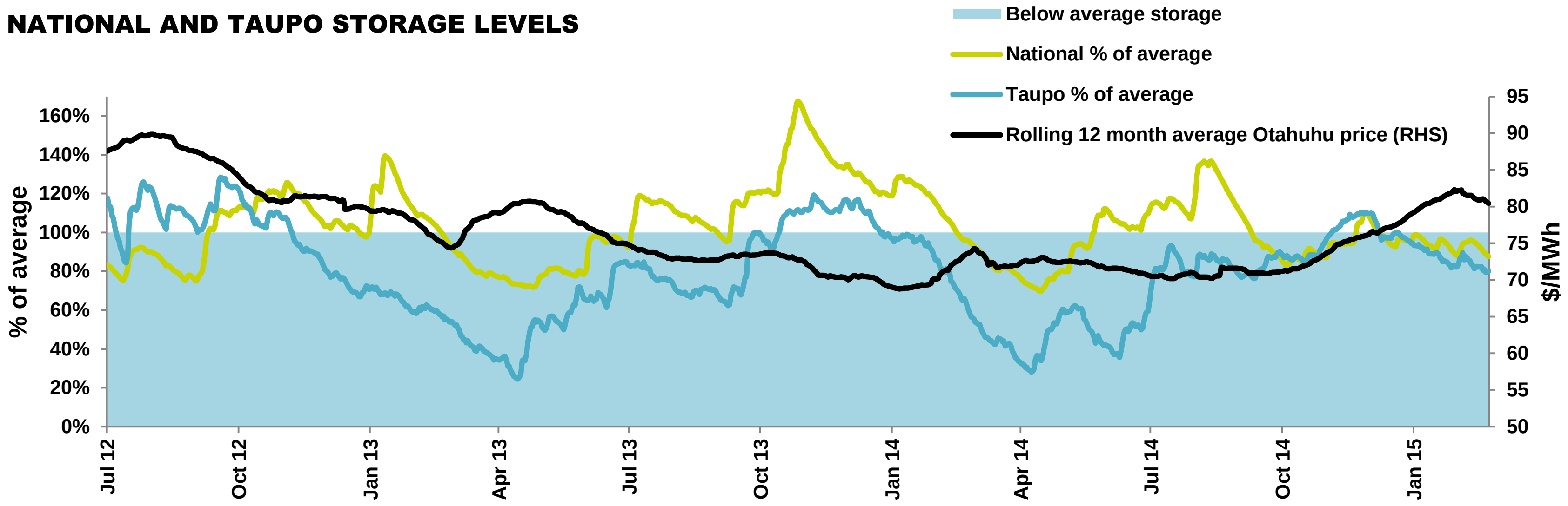


Market Dynamics

Supply

- Taupo inflows 82% of average, national inflows 101% of average over the last two calendar years
- Since period end Taupo inflows only 57% of average, national inflows 81% of average

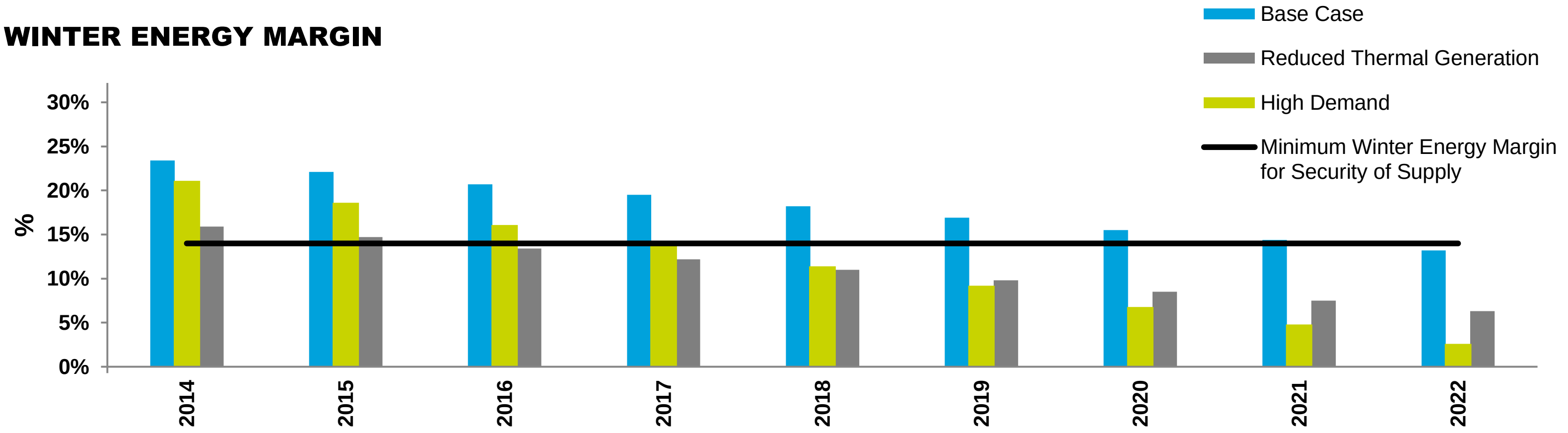
NATIONAL AND TAUPO STORAGE LEVELS



Demand & Supply balance

- National demand up 2% on pcp, back to 2011 levels
- Likely Tiwai will continue with 572MW
- Reduction of 4,000GWh thermal fuel commitments across industry has restored the balance of energy demand and supply

WINTER ENERGY MARGIN



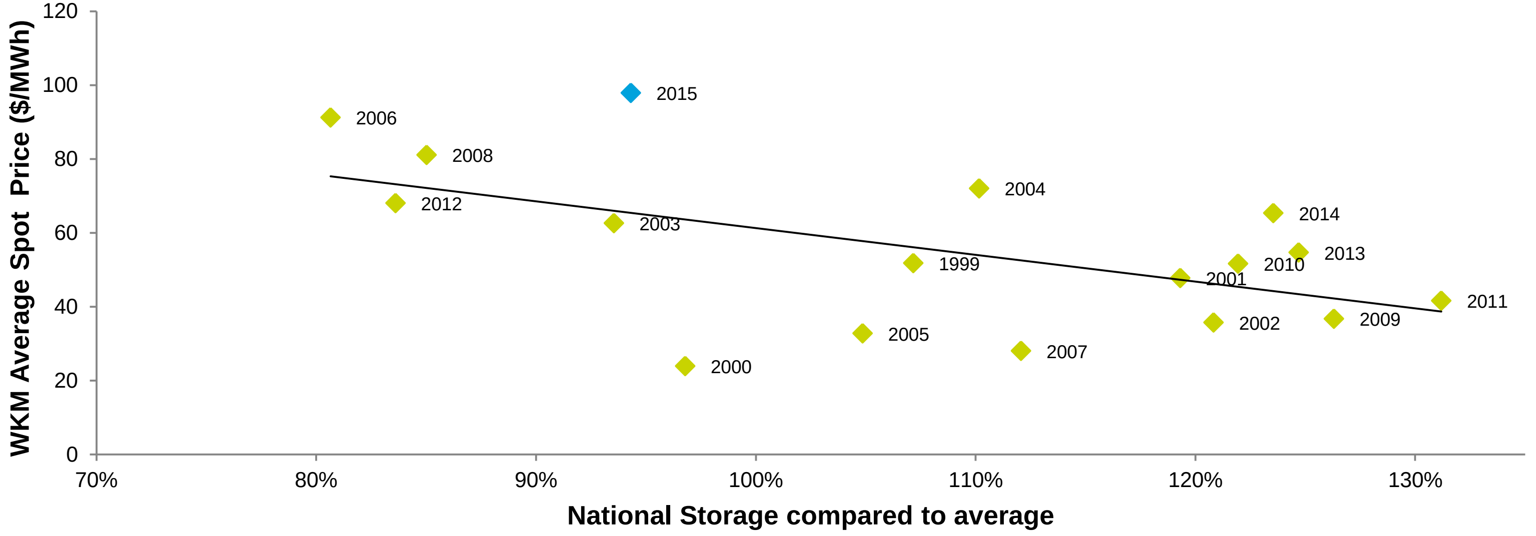
Source: System Operator, Transpower

MARKET DYNAMICS

Demand & Supply balance impacting wholesale prices

> January 2015 demonstrated significantly higher spot prices compared to other years with similar hydrology

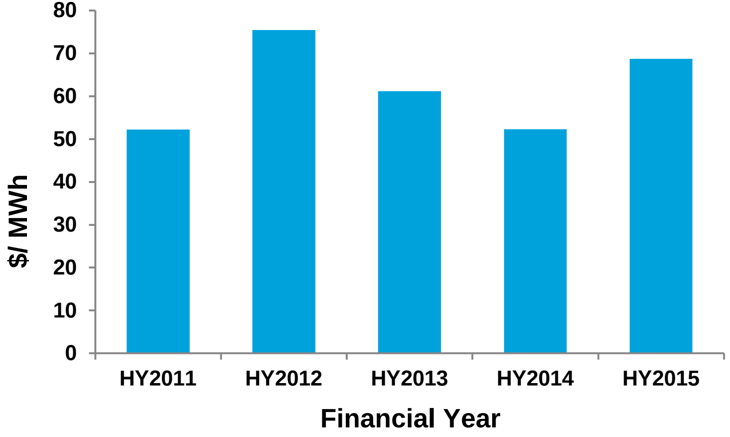
JANUARY SPOT PRICE VS NATIONAL STORAGE



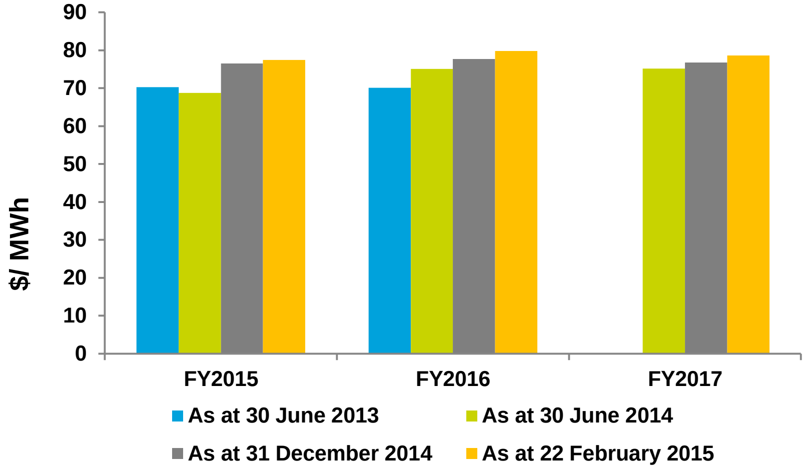
Wholesale prices

- ASX prices have responded to below average hydro storage (near-term) and reduced thermal fuel commitments (across the curve)
- FY2016 ASX prices up $4.79/MWh (up 6%) since 30 June 2014 reflecting 4,000GWh less thermal fuel commitments – should begin to flow through to commercial pricing

AVERAGE WHOLESALE PRICE (WKM)



ASX FUTURES SETTLEMENT PRICE (OTA)

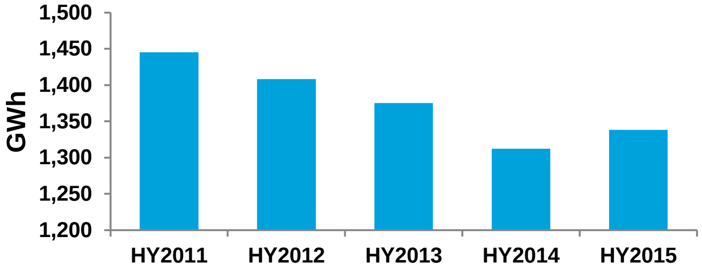


Operational Update

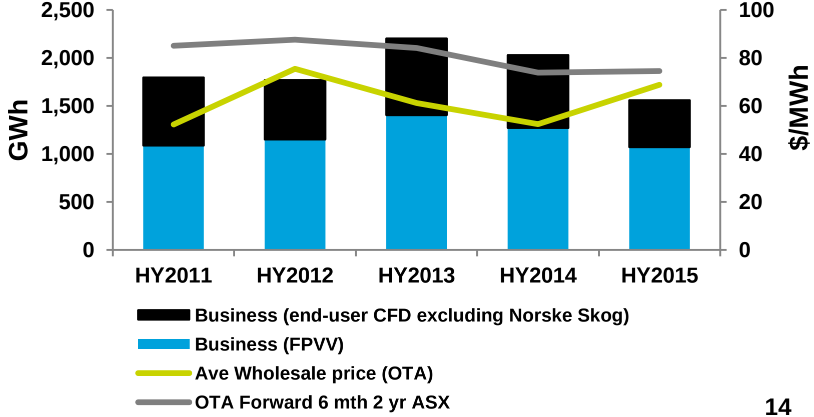
Electricity sales

- > Residential sales up 26GWh reflecting higher ICP's and higher national demand
- > Business sales (FPVV) down 200GWh and Industrial sales (CFD) down 268GWh reflecting portfolio value-risk decision
- > Average FPVV price stable at $117.31/MWh supported by not renewing commercial volumes at low yield

RESIDENTIAL SALES (FPVV)

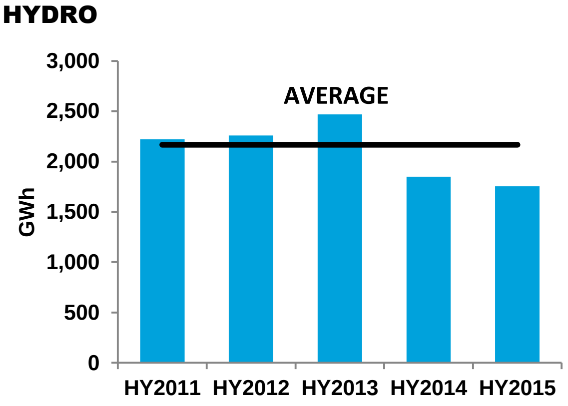


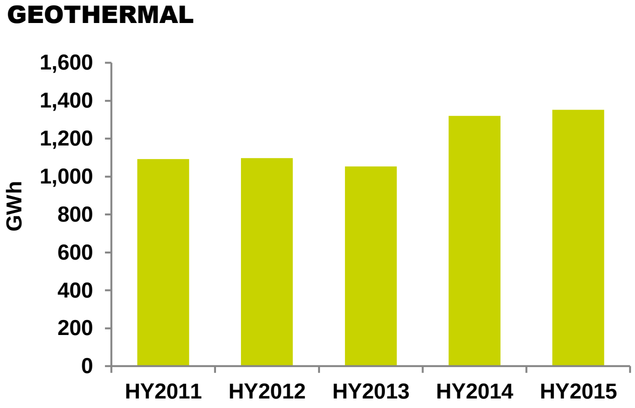
BUSINESS SALES

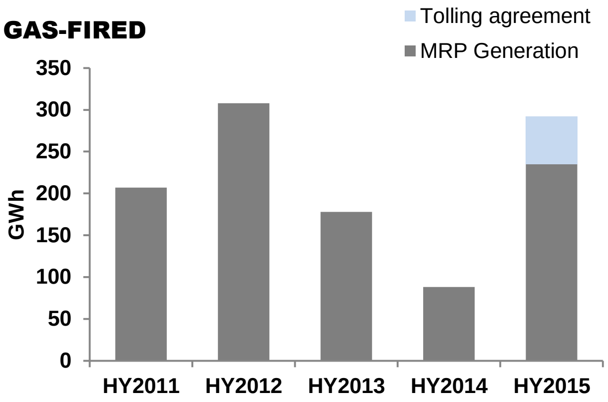


Electricity generation

- Generation 146GWh higher than HY2014
  - hydro 412GWh (19%) less than average and 94GWh (5%) less than HY2014 given 18% below average inflows and decision to optimise water ahead of seasonally dry Autumn and expected higher wholesale price
  - high-cost thermal generation up 206GWh as used committed natural gas to support hydro and tolling agreement entered into in April 2014 (57GWh)
- Nga Awa Purua de-rated by 10MW since December 2013 - turbine repairs expected to be completed by the end of Q1 FY2016



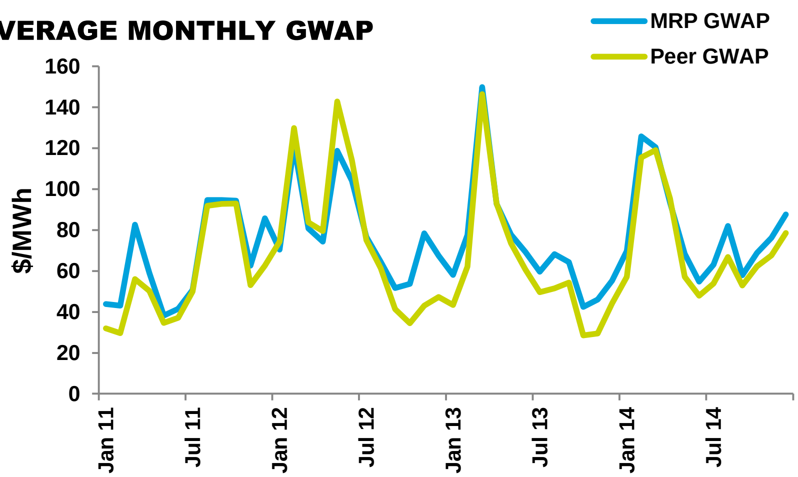




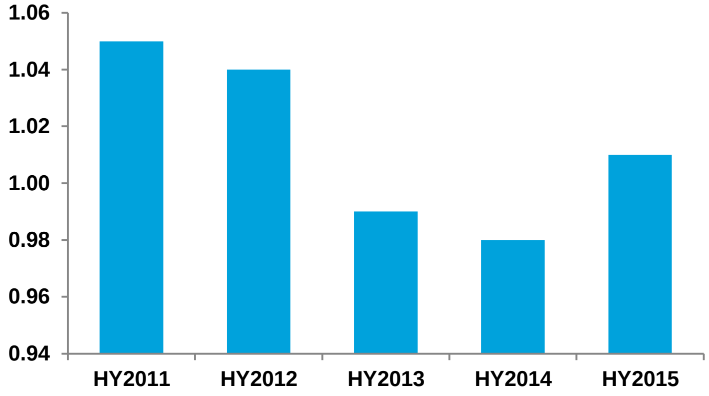
LWAP/GWAP

- LWAP/GWAP – ratio of the cost of electricity purchased (LWAP) relative to price received for generation (GWAP)
- HY2015 LWAP/GWAP higher than peers but impacted by less North Island/South Island separation, lower hydro production and higher thermal production

AVERAGE MONTHLY GWAP



LWAP/GWAP



Financial Update

Financial highlights

$12M ↓

EBITDAF down due to low hydro and commercial volumes

$10M

Cost savings in addition to $20m achieved in FY2014

$83M

Non-cash Impairments reflect exit of international geothermal development options

$176M

Operating Cash Flow up $5m

5.0¢ per share

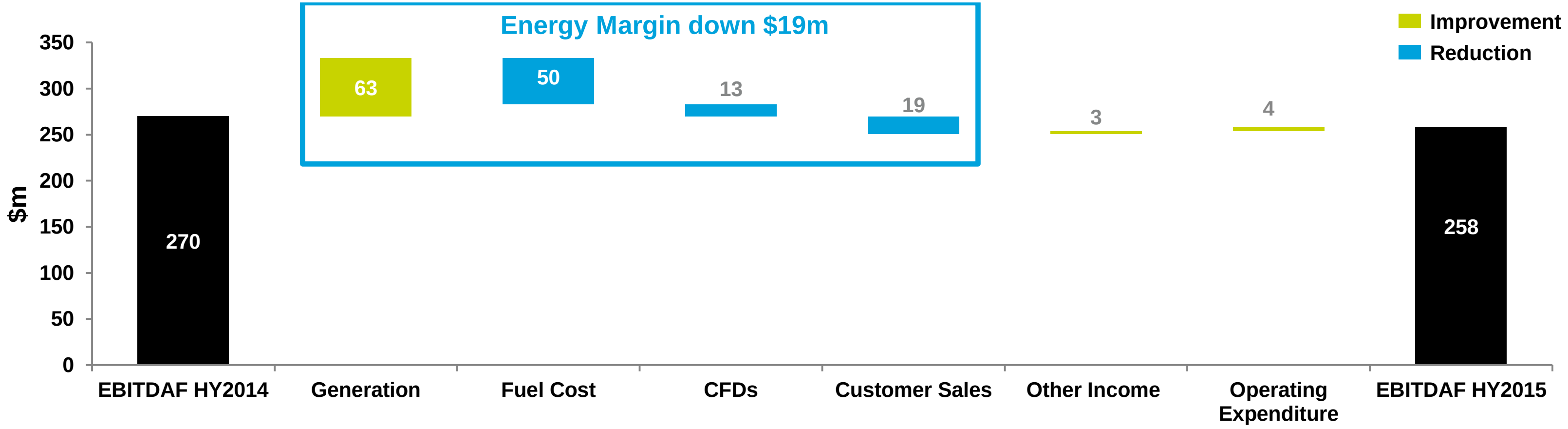
Fully imputed Special Dividend paid in December 2014

5.6¢ per share

Fully imputed Interim Dividend declared

EBITDAF (HY2015 vs HY2014)

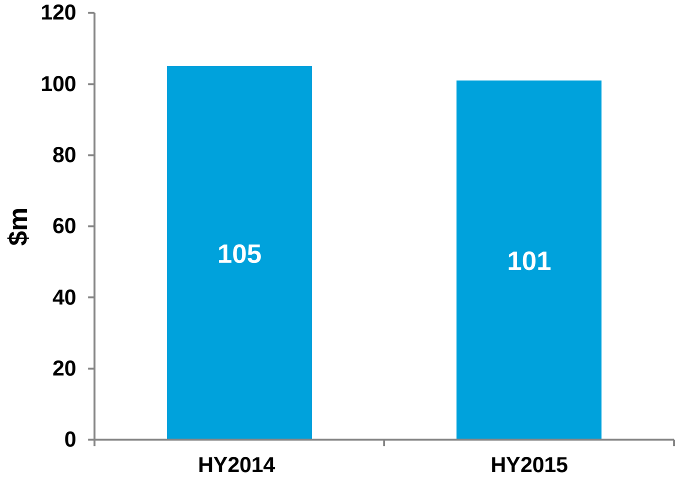
- Energy Margin down $19m
  - 94GWh less hydro generation and 468GWh less commercial sales (FPVV and CFD)
  - Higher fuel cost reflecting higher wholesale prices and more thermal generation (used committed gas to support storage)
  - Increased use of liquid ASX market to support water storage
- $3m additional Other Income reflecting increased contribution from metering business and property sales and $4m lower Operating Expenditure



Operating expenditure (HY2015 vs HY2014)

- In FY2014 focus on efficiency and effectiveness delivered $20m of permanent cost savings
- Since year-end additional permanent cost savings found
  - international geothermal operating costs down $1m on pcp
  - 2 month benefit from savings from reduced insurance limit
  - additional savings from professional fees and contractors
- Now expect FY2015 operating expenditure comparable with FY2014

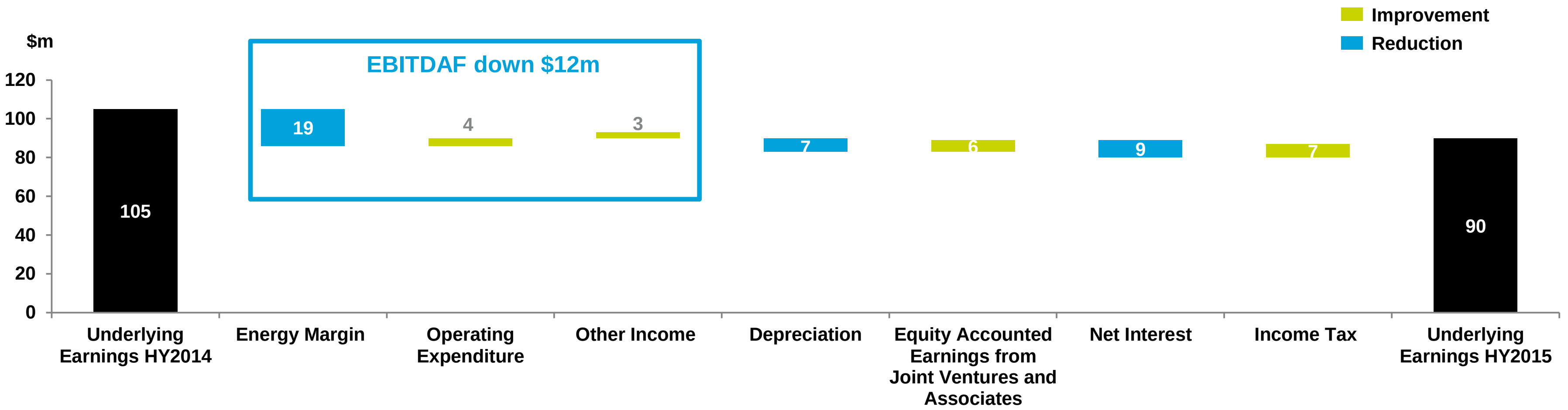
OPERATING EXPENDITURE



Underlying earnings and NPAT (HY2015 vs HY2014)

> Underlying earnings down $15m reflecting lower EBITDAF, in addition to higher depreciation, interest following the commissioning of Ngatamariki

> NPAT relative to prior period impacted by non-cash $83m impairment relating to exiting international geothermal development and favourable fair value movements of $20m recognised in the previous half year



Accounting implications of international geothermal development exit

- Non-cash Impairments of $83m
    - full write-down Chilean assets (impairment of $56m)
    - sale of Germany complete (impairment of $13m)
    - review of US investments forecast revenue and costs and flow on impacts to tax equity financing - carrying value now $12m (impairment of $14m)
- Following completion of Chilean assets sale will crystallise non-cash FX translation reserve expense (worth approx $10m)

Consolidated cash flow

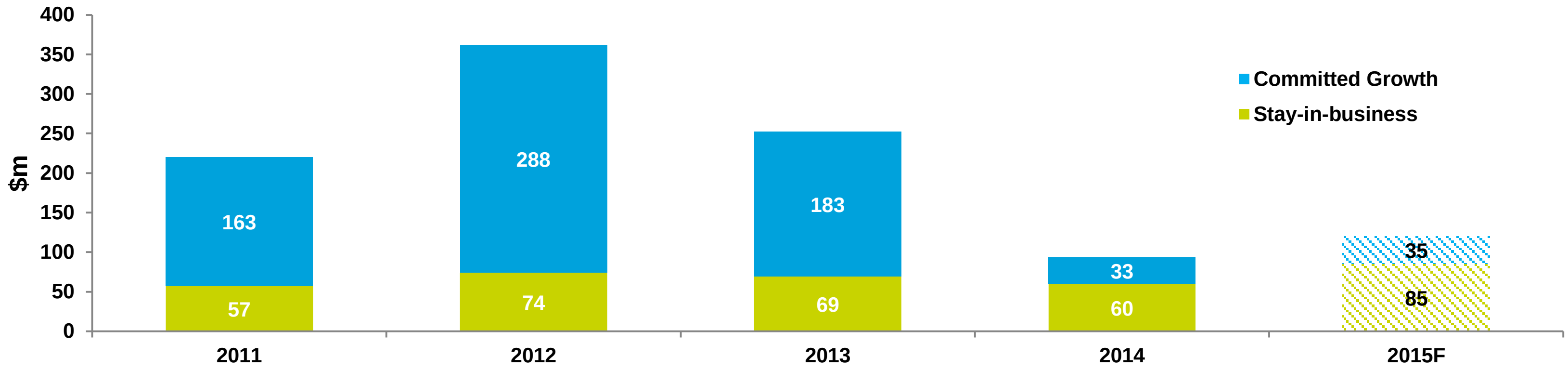
> Continued strong cash flow with operating cash flow of $176m

  > timing benefit from change in Vector's line billing cycle and lower cash taxes

$m	Six months ended 31 December 2014	Six months ended 31 December 2013	$m change	% change	Twelve months ended 30 June 2014
Net cash provided by operating activities	176	171	5	2.9	317
Net cash used in investing activities	(47)	(64)	17	(26.6)	(99)
Net cash (used in)/provided by financing activities	(118)	(86)	(32)	37.2	(213)
Cash at the end of the period	33	35	(2)	(5.7)	19

Capital expenditure

- Capital expenditure of $56m (HY2014: $51m)
  - new investment of $14m (HY2014: $23m) includes smart metering spend*
  - stay-in-business of $42m (HY2014: $28m) reflects successful completion of Ngatamariki and Rotokawa geothermal drilling
- Some re-phasing into FY2016. FY2015 guidance now $85m for stay-in-business (previously $95m) and $35m for committed growth capex (previously $50m)
- FY2016 stay-in-business capex will include Nga Awa Purua turbine replacement of approx $7m



* Excludes $13m non-cash exercise of Germany option included in PPE

Business & Strategy Update

Customer

> Passing on the benefits of strong competition
  > no increase in headline energy prices for residential electricity and gas customers in April 2015
  > reward for loyalty – customers who commit for 2 years get additional 3% discount
  > 33% of customers on fixed price contracts

> Leading reduced industry disconnections
  > Mercury reached record low in October of only 18 disconnected customers
  > GLOBUG assists customers' cash management and keeps them connected

> Focus on customer-led technology
  > rolled out Good Energy Monitor to small commercial customers
  > growth in digital customers continued - 78% of customers pay electronically and 51% receive bills online
  > GLOBUG online and app based self service

Driving efficiencies

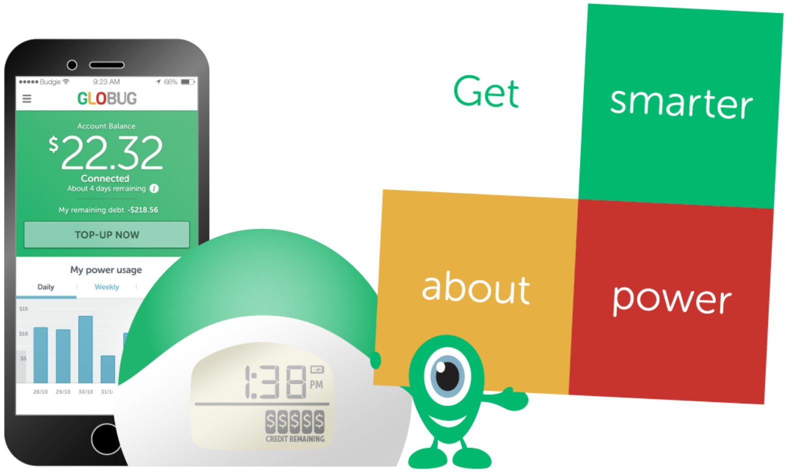
- Work on Whakamaru hydro to begin in Q4 FY2015
  - expand capacity by 20MW and 5% increase in water efficiency
- Southdown reconfiguration to a simpler, fast-start mode completed
  - mothballed steam turbine - reduced generating capacity by 35MW
  - improved responsiveness to market opportunities while lowering operating costs
- Sale of specific “surplus to requirements” properties
- Reduction of insurance limit to the appropriate level for risk (from $2 billion to $1 billion)

Exit geothermal development options

- In December announced exit of Chile and Germany, alongside no further development capital in US
- International geothermal development options now not in line with investment objectives
  - challenging position vis a vis different fuels
  - disproportionate management and governance time
  - complexity of project financing, accounting and tax
- Exit on track with Germany sale complete with no residual obligation and Chile process underway

GLOBUG – a smart platform for growth

- Home-grown pre-pay technology
  - lowers disconnection rates and bad debts
  - GLOBUG online and app based self service
- Lower cost of electricity for customers
  - eliminates late payment fees and use of debt collection agencies
- Platform for growth
  - currently 18,000 GLOBUG customers
  - new lower price rate offer to Community Services Card holders (estimated 495,000 households)



Metrix – ramping up smart meter deployment

- Smart meter deployment gains momentum
  - 367,000 meters now installed
  - 25,000 meters installed in HY2015, up from 10,000 in HY2014
  - compliance deadline of 1 April 2015 for category 1 installations
- Trustpower partnership supports growth
  - systems development and integration with Trustpower on track
  - absolute focus for Metrix team
  - full deployment starting in mid-2015

Long-term opportunities to yield value over time

Water

- Tuwharetoa Maori Trust Board and Mighty River Power reached long-term partnership agreement over future of Lake Taupo

Electric Vehicles (EVs)

- Advancing partnerships on charging infrastructure (Novotel/Tainui Hamilton, Auckland Transport and carpark owners)
- Mighty River Power fleet conversion underway as leases expire – 20 EVs by end of 2015
- Positive outlook with corporates on fleet conversion

Regulation and Legal

Transmission Pricing Methodology (TPM)

> Decision in 2015 challenging given process delays
  > options paper, expected shortly, will canvas wider set of options - not limited to beneficiary pays
> Transpower operational review pragmatic and eliminates theoretical benefit from significant change to TPM
> Current proposal would drive transmission price increases to upper North Island customers while reducing costs for South Island generators and Tiwai

Legal

> New Zealand Carbon Farming Case: High Court decision expected soon over a contractual dispute relating to the amount of carbon credits obliged to buy over time
> SFO Case: Fraud hearing against former employee and his partner scheduled for February 2016

Outlook

FY2015 guidance and outlook

- Maintained strong cash flow supporting the FY2015 dividend guidance of 14 cents per share
- Following dry conditions 445GWh (worth $35m) reduction in hydro production forecast partly offset by operating cost savings and sale of surplus land
- FY2015 EBITDAF will be in the range of $480m - $500m subject to any material adverse events, significant one-off expenses or other unforeseeable circumstances assumes:
  - 3,455GWh of hydro production which assumes average inflows from March until year end;
  - FY2015 operating costs comparable with FY2014;
  - the completion of additional property sales; and
  - excludes crystallisation of non-cash FX translation reserve loss which will occur on the completion of the Chile divestments (approx $10m)

Fresh thinking – Customer, Company, Country

Operate

- No increase in headline energy prices
- Investment in Whakamaru hydro
- Additional operating cost savings

Build

- GLOBUG Community Services Card offer
- International geothermal development exit underway
- Set for roll-out of Trustpower ‘smart’ meters mid 2015

Grow

- Tuwharetoa long-term agreement over Lake Taupo
- Partnerships to deliver charging infrastructure for EVs

Questions

Appendix

Operating information

	Six months ended 31 December 2014		Six months ended 31 December 2013		Twelve months ended 30 June 2014	
Electricity Sales	**VWAP[1] ($/MWh)**	**Volume (GWh)**	**VWAP[1] ($/MWh)**	**Volume (GWh)**	**VWAP[1] ($/MWh)**	**Volume (GWh)**
FPVV sales to customers	117.31	2,409	117.74	2,582	117.70	4,844
Residential customers		1,338		1,312		2,449
Commercial customers		1,070		1,270		2,395
FPVV purchases from market		2,532		2,710		5,086
Spot customer purchases		719		859		1,572
Total NZEM purchases	73.05	3,251	54.80	3,568	71.16	6,658
Electricity Customers (‘000)	385		382		382	
North Island customers	350		345		347	
South Island customers	35		37		35	
Dual Fuel customers	41		39		40	
AMI Meters ('000)	**367**		**338**		**342**	

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

APPENDIX

Operating information

	Six months ended 31 December 2014		Six months ended 31 December 2013		Twelve months ended 30 June 2014	
Electricity Generation	**VWAP ($/MWh)**	**Volume (GWh)**	**VWAP ($/MWh)**	**Volume (GWh)**	**VWAP ($/MWh)**	**Volume (GWh)**
Hydro	75.82	1,755	58.78	1,849	74.86	3,497
Gas	76.60	294	78.69	88	86.13	125
Geothermal (consolidated)[1]	67.65	1,237	50.47	1,217	66.68	2,451
Geothermal (equity accounted)[2]	67.97	116	51.64	104	68.91	222
Total	**72.65**	**3,404**	**55.98**	**3,258**	**71.69**	**6,295**
LWAP/GWAP	**1.01**		**0.98**		**0.99**	
	VWAP ($/MWh)	**Volume (GWh)**	**VWAP ($/MWh)**	**Volume (GWh)**	**VWAP ($/MWh)**	**Volume (GWh)**
Gas Purchases	**$/GJ**	**PJ**	**$/GJ**	**PJ**	**$/GJ**	**PJ**
Retail purchases[3]	9.21	0.61	8.83	0.60	8.96	1.02
Generation purchases	6.93	2.79[4]	8.74	1.09	7.92	1.72
Carbon Emissions ('000 tonnes)	294		217		427	

1 Includes Mighty River Power's 65% share of Nga Awa Purua generation
2 Tuaropaki Power Company (Mokai) equity share
3 Prices include fixed transmission charges
4 Includes the virtual peaker operation

Contracts for Difference

	Six months ended 31 December 2014	Six months ended 31 December 2013	Twelve months ended 30 June 2014	Six months ended 31 December 2012	Six months ended 31 December 2011	Six months ended 31 December 2010
Net Contracts for Difference (Sell)/Buy GWh						
Sell - End User	(844)	(1,112)	(1,976)	(1,153)	(973)	(1,063)
Sell - VAS[1]	(352)	(327)	(674)	(302)	(151)	(-)
Sell - Inter-generator & ASX	(543)	(341)	(605)	(684)	(401)	(425)
Sell CFD	(1,739)	(1,780)	(3,255)	(2,139)	(1,525)	(1,489)
Buy CFD	894	1,226	2,230	1,285	691	456
CFD	**(846)**	**(554)**	**(1,025)**	**(854)**	**(834)**	**(1,033)**
Energy Margin contribution ($m)	**$15m**	**$28m**	**$24m**	**$3m**	**$10m**	**$33m**

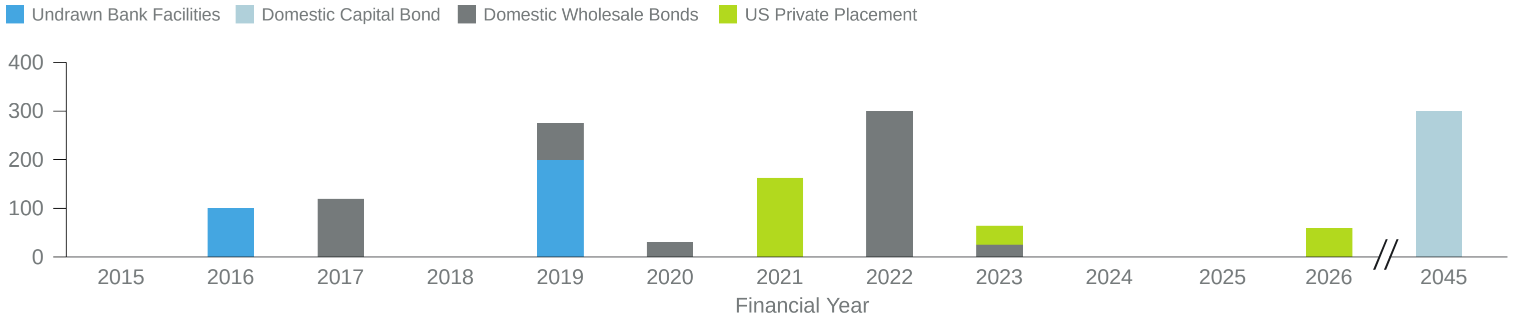
1 VAS included on both buy and sell side CFDs

Balance sheet

$m	As at 31 December 2014	As at 31 December 2013	$m change	% change	As at 30 June 2014
SHAREHOLDERS' EQUITY					
Total shareholders' equity	**3,010**	**3,185**	**(175)**	**(5.5)**	**3,219**
ASSETS					
Current assets	270	273	(3)	(1.1)	292
Non-current assets	5,293	5,404	(111)	(2.1)	5,397
Total assets	**5,563**	**5,677**	**(114)**	**(2.0)**	**5,689**
LIABILITIES					
Current liabilities	212	314	(102)	(32.5)	271
Non-current liabilities	2,341	2,178	163	7.5	2,199
Total liabilities	**2,553**	**2,492**	**61**	**2.4**	**2,470**
TOTAL NET ASSETS	**3,010**	**3,185**	**(175)**	**(5.5)**	**3,219**

Funding profile and ratios

DEBT MATURITIES AS AT 31 DECEMBER 2014



	31 December 2014	30 June 2014	30 June 2013	30 June 2012	30 June 2011	30 June 2010
Net debt ($m)	1,080	1,031	1,028	1,116	976	971
Gearing ratio (%)	26.4	24.3	24.4	27.0	25.1	26.5
Debt/EBITDAF (x)	N/A	2.1	2.7	2.6	2.2	3.0

Non-GAAP measure: Energy margin

- Energy Margin provides a measure that, unlike sales or total revenue, accounts for the variability or the wholesale spot market and the broadly offsetting impact of wholesale prices on the cost of retail electricity purchases

$m	Six months ended 31 December 2014	Six months ended 31 December 2013	Twelve months ended 30 June 2014
Sales	856	827	1,672
Less: lines charges	(223)	(227)	(431)
Less: energy costs	(266)	(216)	(505)
Less: other direct cost of sales, including metering	(26)	(24)	(49)
Energy Margin	**341**	**360**	**687**

Non-GAAP measure: Free Cash Flow

> Free Cash Flow is a measure that the Company uses to evaluate the levels of cash available for debt repayments, growth capital expenditure and dividends

$m	Six months ended 31 December 2014	Six months ended 31 December 2013	Twelve months ended 30 June 2014
Net cash provided by operating activities	176	171	317
Less: Reinvestment capital expenditure (including accrued costs)	(42)	(28)	(60)
Free Cash Flow	**134**	**143**	**257**

Non-GAAP measure: Net Debt

> Net Debt is reported in the financial statements and is a measure commonly used by investors

$m	As at 31 December 2014	As at 31 December 2013	As at 30 June 2014
Current borrowings at carrying value	10	105	56
Add: Non-current loans at carrying value	1,127	972	985
Add: Fair adjustments US Private Placement	(24)	2	9
Less: cash and cash equivalents	(33)	(35)	(19)
Net Debt	**1,080**	**1,044**	**1,031**

Non-GAAP measure: EBITDAF, Underlying Earnings and Net Debt

- EBITDAF is reported in the financial statements and is a measure that allows comparison across the electricity industry
- Underlying Earnings is reported in the financial statements and in contrast to net profit, the exclusion of certain items enables a comparison of the underlying performance across time periods
- Net Debt is reported in the financial statements and is a measure commonly used by investors

24 February 2015

Financial Results

Six months ended 31 December 2014

MIGHTY RIVER POWER

Media briefing presented by:

Joan Withers
Chair

Fraser Whineray
Chief Executive

William Meek
Chief Financial Officer

HY2015 Highlights

OUTLOOK

Fresh thinking – Customer, Country, Company

Operate

- No increase in headline energy prices
- Investment in Whakamaru hydro
- Additional operating cost savings

Build

- GLOBUG Community Services Card offer
- International geothermal development exit underway
- Set for roll-out of Trustpower ‘smart’ meters mid 2015

Grow

- Tuwharetoa long-term agreement over Lake Taupo
- Partnerships to deliver charging infrastructure for EVs

MIGHTY RIVER POWER LIMITED

Consolidated Interim Financial Statements

For the six months ended 31 December 2014

MIGHTY RIVER POWER LIMITED
CONSOLIDATED INCOME STATEMENT
FOR THE SIX MONTHS ENDED 31 DECEMBER 2014

	Note	**Unaudited 6 Months 31 Dec 2014 $M**	Unaudited 6 Months 31 Dec 2013 $M	Audited 12 Months 30 June 2014 $M
Total revenue	4	**874**	842	1,705
Total expenses	4	**(616)**	(572)	(1,201)
EBITDAF[1]		**258**	270	504
Depreciation and amortisation		**(85)**	(78)	(161)
Change in the fair value of financial instruments		**1**	20	32
Impairments	4	**(83)**	-	-
Earnings of associates' and joint ventures		**1**	-	4
Net interest expense	4	**(48)**	(39)	(84)
Profit before tax		**44**	173	295
Tax expense		**(36)**	(49)	(83)
Profit for the period		**8**	124	212
Profit for the period attributable to owners of the parent		**8**	124	212
Basic and diluted earnings per share (cents)		**0.58**	8.86	15.27

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX MONTHS ENDED 31 DECEMBER 2014

	Unaudited 6 Months 31 Dec 2014 $M	Unaudited 6 Months 31 Dec 2013 $M	Audited 12 Months 30 June 2014 $M
Profit for the period	**8**	124	212
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Fair value revaluation of generation assets	**-**	-	40
Share of movements in associates' and joint ventures' reserves	**(3)**	(8)	(10)
Tax effect	**-**	-	(11)
Items that may be reclassified subsequently to profit or loss			
Movement in cash flow hedges reserve	**(51)**	24	47
Movement in other reserves	**6**	(4)	(7)
Tax effect	**14**	(7)	(13)
Other comprehensive income/(loss) for the period, net of taxation	**(34)**	5	46
Total comprehensive income/(loss) for the period attributable to owners of the parent	**(26)**	129	258

[1]EBITDAF: Earnings before net interest expense, income tax, depreciation, amortisation, change in fair value of financial instruments, impairments and equity accounted earnings

MIGHTY RIVER POWER LIMITED
CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2014

	Note	**Unaudited 31 Dec 2014 $M**	Unaudited 31 Dec 2013 $M	Audited 30 June 2014 $M
SHAREHOLDERS' EQUITY				
Issued capital		**378**	378	378
Treasury shares		**(52)**	(28)	(52)
Reserves		**2,684**	2,835	2,893
Total shareholders' equity		**3,010**	3,185	3,219
ASSETS				
CURRENT ASSETS				
Cash and cash equivalents		**33**	35	19
Receivables		**191**	186	218
Inventories		**27**	22	24
Derivative financial instruments	6	**19**	30	31
Total current assets		**270**	273	292
NON-CURRENT ASSETS				
Property, plant and equipment	7	**5,021**	5,110	5,095
Intangible assets		**66**	60	71
Available-for-sale financial assets		**-**	13	12
Investment and advances to associates	8	**73**	76	78
Investment in joint ventures	8	**12**	26	23
Advances		**13**	12	13
Receivables		**4**	7	6
Derivative financial instruments	6	**104**	100	99
Total non-current assets		**5,293**	5,404	5,397
TOTAL ASSETS		**5,563**	5,677	5,689
LIABILITIES				
CURRENT LIABILITIES				
Payables and accruals		**172**	149	169
Provisions		**-**	2	-
Borrowings	9	**10**	105	56
Derivative financial instruments	6	**17**	41	22
Taxation payable		**13**	17	24
Total current liabilities		**212**	314	271
NON-CURRENT LIABILITIES				
Payables and accruals		**7**	12	6
Provisions		**16**	11	16
Derivative financial instruments	6	**228**	220	209
Borrowings	9	**1,127**	972	985
Deferred tax		**963**	963	983
Total non-current liabilities		**2,341**	2,178	2,199
TOTAL LIABILITIES		**2,553**	2,492	2,470
NET ASSETS		**3,010**	3,185	3,219

For and on behalf of the Board of Directors who authorised the issue of the Financial Statements on 24 February 2015.

Joan Withers
Chair
24 February 2015

Keith Smith
Director
24 February 2015

MIGHTY RIVER POWER LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS ENDED 31 DECEMBER 2014

	Issued capital $M	Retained earnings $M	Asset revaluation reserve $M	Cash flow hedge reserve $M	Other reserves $M	Total equity $M
Balance as at 1 July 2013	378	493	2,363	(39)	(13)	3,182
Movement in cash flow hedges reserve, net of taxation	-	-	-	16	-	16
Movements in other reserves	-	-	-	-	(3)	(3)
Share of movements in associates' and joint ventures' reserves	-	-	(6)	(2)	-	(8)
Other comprehensive income	-	-	(6)	14	(3)	5
Net profit for the period	-	124	-	-	-	124
Total comprehensive income for the period	-	124	(6)	14	(3)	129
Acquisition of treasury shares	-	-	-	-	(25)	(25)
Dividend	-	(101)	-	-	-	(101)
Balance as at 31 December 2013	378	516	2,357	(25)	(41)	3,185
Balance as at 1 January 2014	378	516	2,357	(25)	(41)	3,185
Fair value revaluation of generation assets, net of taxation	-	-	29	-	-	29
Movement in cash flow hedges reserve, net of taxation	-	-	-	18	-	18
Movements in other reserves	-	-	-	-	(4)	(4)
Share of movements in associates' and joint ventures' reserves	-	-	(2)	-	-	(2)
Release of asset revaluation reserve following disposals of assets	-	2	(1)	-	-	1
Other comprehensive income	-	2	26	18	(4)	42
Net profit for the period	-	88	-	-	-	88
Total comprehensive income for the period	-	90	26	18	(4)	130
Acquisition in treasury shares	-	-	-	-	(24)	(24)
Dividend	-	(72)	-	-		(72)
Balance as at 30 June 2014	378	534	2,383	(7)	(69)	3,219
Balance as at 1 July 2014	**378**	**534**	**2,383**	**(7)**	**(69)**	**3,219**
Movement in cash flow hedges reserve, net of taxation	**-**	**-**	**-**	**(37)**	**-**	**(37)**
Movements in other reserves	**-**	**-**	**-**	**-**	**7**	**7**
Share of movements in associates' and joint ventures' reserves	**-**	**-**	**-**	**(3)**	**-**	**(3)**
Release of asset revaluation reserve	**-**	**-**	**(1)**	**-**	**-**	**(1)**
Other comprehensive income	**-**	**-**	**(1)**	**(40)**	**7**	**(34)**
Net profit for the period	**-**	**8**	**-**	**-**	**-**	**8**
Total comprehensive loss for the period	**-**	**8**	**(1)**	**(40)**	**7**	**(26)**
Acquisition of treasury shares	**-**	**-**	**-**	**-**	**-**	**-**
Dividend	**-**	**(183)**	**-**	**-**	**-**	**(183)**
Balance as at 31 December 2014	**378**	**359**	**2,382**	**(47)**	**(62)**	**3,010**

The accompanying notes form an integral part of these financial statements.

MIGHTY RIVER POWER LIMITED
CONSOLIDATED CASH FLOW STATEMENT
FOR THE SIX MONTHS ENDED 31 DECEMBER 2014

	Note	Unaudited 6 Months 31 Dec 2014 $M	Unaudited 6 Months 31 Dec 2013 $M	Audited 12 Months 30 June 2014 $M
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers		878	890	1,706
Payments to suppliers and employees		(600)	(614)	(1,214)
Interest received		3	1	3
Interest paid		(51)	(44)	(90)
Taxes paid		(54)	(62)	(88)
Net cash provided by operating activities		176	171	317
CASH FLOWS FROM INVESTING ACTIVITIES				
Acquisition of property, plant and equipment		(54)	(60)	(82)
Disposal of property, plant and equipment		4	-	-
Acquisition of intangibles		(1)	(3)	(20)
Advances to joint venture partner repaid		1	-	1
Investment in joint ventures		-	(3)	(3)
Distributions received from associates and joint ventures		3	2	5
Net cash used in investing activities		(47)	(64)	(99)
CASH FLOWS FROM FINANCING ACTIVITIES				
Acquisition of treasury shares		-	(25)	(50)
Proceeds from loans		300	40	60
Repayment of loans		(235)	-	(50)
Dividends paid		(183)	(101)	(173)
Net cash used in financing activities		(118)	(86)	(213)
Net increase in cash and cash equivalents held		11	21	5
Net foreign exchange movements		3	3	3
Cash and cash equivalents at the beginning of the period		19	11	11
Cash and cash equivalents at the end of the period		33	35	19
Cash balance comprises:				
Cash balance at the end of the period		33	35	19

The accompanying notes form an integral part of these financial statements.

MIGHTY RIVER POWER LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 31 DECEMBER 2014

NOTE 1. ACCOUNTING POLICIES

1) Reporting entity

Mighty River Power Limited (the "Company") is a company incorporated in New Zealand, registered under the Companies Act 1993, is an FMC reporting entity under the Financial Markets Conduct Act 2013, and is dual listed on the NZSX and ASX.

The consolidated interim financial statements (the "Group financial statements") are for Mighty River Power Limited Group (the “Group”). The Group financial statements comprise the Company and its subsidiaries, including its investments in associates and interests in joint arrangements.

The liabilities of the Company are not guaranteed in any way by the Crown or any other shareholder.

2) Basis of preparation

The Group financial statements have been prepared in accordance with the Financial Reporting Act 2013, the Companies Act 1993 and in accordance with the New Zealand equivalent to International Accounting Standard 34 - Interim Financial Reporting. In complying with NZ IAS 34, these statements comply with International Accounting Standard 34 - Interim Financial Reporting.

These Group financial statements, including the accounting policies adopted, do not include all the information and disclosures required in the annual financial statements. Consequently, these Group financial statements should be read in conjunction with the Group's annual financial statements for the year ended 30 June 2014.

The energy business operates in an environment that is dependent on weather as one of the key drivers of supply and demand. Fluctuations in seasonal weather patterns, particularly over the short-term, can have a positive or negative effect on the reported result. It is not possible to consistently predict this seasonality and some variability is common.

The preparation of financial statements requires judgements, estimates and assumptions that affect the application of policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

Management for the Group is considered to be the Directors and Senior Management.

MIGHTY RIVER POWER LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 31 DECEMBER 2014

NOTE 2. SEGMENT REPORTING

Identification of reportable segments

The operating segments are identified by Management based on the nature of the products and services provided. Discrete financial information about each of these operating businesses is reported to the Chief Executive, being the chief operating decision-maker, on at least a monthly basis, who assesses the performance of the operating segments on a measure of EBITDAF. Segment EBITDAF represents profit earned by each segment exclusive of any allocation of central administration costs, share of profits of associates, change in fair value of financial instruments, depreciation and amortisation, impairments, finance costs and income tax expense. Operating segments are aggregated into reportable segments only if they share similar economic characteristics.

Types of products and services

Energy Markets

The energy markets segment encompasses activity associated with the production, sale and trading of energy and related services and products, and generation development activities.

Other Segments

Other operating segments that are not considered to be reporting segments are grouped together in the "Other Segments" column. Activities include metering and international geothermal development and operations.

Unallocated

Represents other corporate support services and other elimination adjustments.

Inter-segment

Transactions between segments are carried out on normal commercial terms and represent charges by Other Segments to Energy Markets.

Segment results

Six months ended 31 December 2014 (unaudited)	**Energy Markets $M**	**Other Segments $M**	**Unallocated $M**	**Inter-segment $M**	**Total $M**
Total segment revenue	**869**	**23**	**(3)**	**(15)**	**874**
Direct costs	**(530)**	**-**	**-**	**15**	**(515)**
Other operating expenses	**(67)**	**(13)**	**(21)**	**-**	**(101)**
Segment EBITDAF	**272**	**10**	**(24)**	**-**	**258**

Six months ended 31 December 2013 (unaudited)	Energy Markets $M	Other Segments $M	Unallocated $M	Inter-segment $M	Total $M
Total segment revenue	836	23	-	(17)	842
Direct costs	(484)	-	-	17	(467)
Other operating expenses	(75)	(13)	(17)	-	(105)
Segment EBITDAF	277	10	(17)	-	270

Twelve months to 30 June 2014 (audited)	Energy Markets $M	Other Segments $M	Unallocated $M	Inter-segment $M	Total $M
Total segment revenue	1,696	44	(2)	(33)	1,705
Direct costs	(1,018)	-	-	33	(985)
Other operating expenses	(155)	(28)	(33)	-	(216)
Segment EBITDAF	523	16	(35)	-	504

NOTE 3. NON STATUTORY MEASURE - UNDERLYING EARNINGS

	Unaudited 6 Months 31 Dec 2014 $M	Unaudited 6 Months 31 Dec 2013 $M	Audited 12 Months 30 June 2014 $M
Profit for the period	**8**	124	212
Change in the fair value of financial instruments	**(1)**	(20)	(32)
Change in the fair value of financial instruments of associates and joint ventures	**-**	(5)	(5)
Impairments	**83**	-	-
Adjustments before tax expense	**82**	(25)	(37)
Tax expense	**-**	6	10
Adjustments after tax expense	**82**	(19)	(27)
Underlying earnings after tax	**90**	105	185

Tax has been applied on all taxable adjustments at 28%.

NOTE 4. OTHER INCOME STATEMENT DISCLOSURES

	Unaudited 6 Months 31 Dec 2014 $M	Unaudited 6 Months 31 Dec 2013 $M	Audited 12 Months 30 June 2014 $M
Sales	**856**	827	1,672
Other revenue	**18**	15	33
Total revenue	**874**	842	1,705
Energy costs	**(266)**	(216)	(505)
Line charges	**(223)**	(227)	(431)
Other direct cost of sales, excluding third party metering	**(14)**	(13)	(27)
Third party metering	**(12)**	(11)	(22)
Employee compensation and benefits	**(40)**	(41)	(80)
Maintenance expenses	**(24)**	(24)	(54)
Other expenses	**(37)**	(40)	(82)
Total expenses	**(616)**	(572)	(1,201)
Interest expense	**(51)**	(46)	(93)
Interest income	**3**	1	3
Interest capitalised to capital work in progress	**-**	6	6
Net interest expense	**(48)**	(39)	(84)

Impairments

The Group announced during the period that it will exit its geothermal development interests in Chile and Germany, while keeping its stake in operating US investments with no further material development capital to be committed. This decision was considered by Management to be a potential indicator of impairment and consequently a review of the carrying value of all international geothermal development projects was undertaken. At 31 December 2014, as a result of this review, the Group recognised an impairment charge against its German, Chilean and US investments. A full impairment of the assets of the German and Chilean interests has resulted in a charge of $69 million being booked, to bring the carrying value of the investments in line with their fair value less cost of disposal. In the US, a review of forecast revenues and costs across the plant and steamfield and the flow-on effects to the tax equity financing has reduced the fair value of the investment in Hudson Ranch I Holdings LLC to $12 million resulting in an impairment of $14 million.

NOTE 5. SHARE CAPITAL AND DISTRIBUTION

The share capital of the Company is represented by 1,400,012,517 ordinary shares (30 June 2014: 1,400,012,517) issued and fully paid. These shares do not have a par value. All shares have equal voting rights and share equally in dividends and any surplus on winding up.

	Unaudited 31 Dec 2014 Number of shares (M)	**Unaudited 31 Dec 2014 $M**	Unaudited 31 Dec 2013 Number of shares (M)	Unaudited 31 Dec 2013 $M	Audited 30 June 2014 Number of shares (M)	Audited 30 June 2014 $M
Treasury shares						
Balance at the beginning of the period	**24**	**52**	1	3	1	3
Acquisition of treasury shares	**-**	**-**	12	26	23	50
Disposal of treasury shares	**-**	**-**	-	(1)	-	(1)
Balance at the end of the period	**24**	**52**	13	28	24	52

Dividends declared and paid

	Cents per share	**Unaudited 6 Months 31 Dec 2014 $M**	Unaudited 6 Months 31 Dec 2013 $M	Audited 12 Months 30 June 2014 $M
Final dividend for 2013	7.20	**-**	101	101
Interim dividend for 2014	5.20	**-**	-	72
Final dividend for 2014	8.30	**114**	-	-
Special dividend for 2015	5.00	**69**	-	-
		183	101	173

NOTE 6. FINANCIAL INSTRUMENTS

The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to proactively manage these risks with the aim of protecting shareholder wealth. Exposure to price, credit, foreign exchange, liquidity and interest rate risks arise in the normal course of the Group's business and are managed under policies approved by the Board of Directors. The Group's principal financial instruments comprise trade receivables and accruals (not prepayments), cash and cash equivalents, loans, derivatives and financial instruments. Further information on the identified risks can be found within note 21 of the Group's annual financial statements for the year ended 30 June 2014.

Fair Values

The carrying amount of financial assets and liabilities recorded in the financial statements approximates their fair values except for: (i) the Fixed Rate Bonds, the Floating Rate Bonds and the US Private Placement, the fair values for which have been calculated at $212 million (30 June 2014: $207 million), $334 million (30 June 2014: $332 million) and $273 million (30 June 2014: $243 million) respectively; and (ii) the Capital Bonds, issued during the period, the fair value for which has been calculated at $322 million. Fair values are based on quoted market prices and inputs for each bond issue. Refer to note 9 which outlines the values of each of these instruments.

Valuation techniques

The Group uses various methods in estimating the fair value of a financial instrument. The methods comprise:

• Level 1 - the fair value is calculated using quoted prices in active markets;

• Level 2 - the fair value is estimated using inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and

• Level 3 - the fair value is estimated using inputs for the asset or liability that are not based on observable market data.

Quoted market price represents the fair value determined based on quoted prices on active markets as at the reporting date without any deduction for transaction costs. The fair value of the listed equity investments and exchange traded energy contracts are based on quoted market prices.

Financial instruments that use a valuation technique with only observable market inputs, or unobservable inputs that are not significant to the overall valuation, include interest rate derivatives and foreign exchange rate derivatives not traded on a recognised exchange.

Financial instruments that use a valuation technique which includes non-market observable data include non-exchange traded electricity contracts which are valued using a discounted cash flow methodology using a combination of ASX market prices for the first four years, combined with Management's internal view of forward prices for the remainder of the contract's term. Management's internal view of forward prices incorporates a minimum price of $70/MWh and a maximum price of $95/MWh over the period in question (in real terms) and is determined by a demand supply based fundamental model which takes account of current hydrological conditions, future inflows, an assessment of thermal fuel costs, anticipated demand and supply conditions (including the assumption of the on-going operation of New Zealand Aluminium Smelters Limited at Tiwai Point and the current regulatory environment is retained) and future committed generation capacity.

Where the fair value of a derivative is calculated as the present value of the estimated future cash flows of the instrument there are two key variables being used; the forward price curve and the discount rate. Where the derivative is an option, then the volatility of the forward price is another key variable. The selection of the variables requires significant judgement, and therefore there is a range of reasonably possible assumptions in respect of these variables that could be used in estimating the fair values of these derivatives. Maximum use is made of observable market data when selecting variables and developing assumptions for the valuation technique.

As at 31 December 2014 all of the Group's financial instruments carried at fair value were categorised as level 2, except for electricity price derivatives. Electricity price derivatives assets of $6 million were categorised as level 1 (31 December 2013: $6 million and 30 June 2014 $4 million) and $76 million were categorised as level 3 (31 December 2013: $106 million and 30 June 2014 $109 million). Further information on the identified risks can be found within note 21 of the Group's annual financial statements for the year ended 30 June 2014. Electricity price derivative liabilities of $3 million were categorised as level 1 (31 December 2013: $3 million and 30 June 2014 $1 million) and $75 million were categorised as level 3 (31 December 2013: $105 million and 30 June 2014 $68 million).

The Group did not hold any available for sale investments categorised as Level 3 (31 December 2013: $13m and 30 June 2014 $12m).

Reconciliation of Level 3 fair value movements

		Unaudited 6 Months 31 Dec 2014 $M	Unaudited 6 Months 31 Dec 2013 $M	Audited 12 Months 30 June 2014 $M
Opening balance		**53**	25	25
New contracts		**-**	1	2
Matured contracts		**(14)**	(7)	(4)
Ineffectiveness of electricity derivative cash flow hedges recognised through the income statement		**-**	(1)	-
Gains and losses				
	Through the income statement	**(1)**	(26)	(23)
	Through other comprehensive income	**(37)**	21	53
Closing balance		**1**	13	53

Deferred 'inception' gains/(losses)

There is a presumption that when derivative contracts are entered into on an arm's length basis, fair value at inception would be zero. The contract price of non exchange traded electricity derivative contracts are agreed on a bilateral basis, the pricing for which may differ from the prevailing derived market price curve for a variety of reasons. In these circumstances an inception adjustment is made to bring the initial fair value of the contract to zero at inception. This inception value is amortised over the life of the contract by adjusting the future price path used to determine the fair value of the derivatives by a constant amount to return the initial fair value to zero.

The movements in inception value gains/(losses) included in the fair value of electricity derivative financial assets and liabilities are as follows:

	Unaudited 6 Months 31 Dec 2014 $M	Unaudited 6 Months 31 Dec 2013 $M	Audited 12 Months 30 June 2014 $M
Opening deferred inception gains	**18**	38	38
Deferred inception (losses)/gains on new hedges	**(1)**	4	7
Deferred inception (losses)/gains realised during the period	**(3)**	(24)	(27)
Closing inception gains	**14**	18	18

NOTE 7. PROPERTY, PLANT AND EQUIPMENT

	Unaudited 6 Months 31 Dec 2014 $M	Unaudited 6 Months 31 Dec 2013 $M	Audited 12 Months 30 June 2014 $M
Opening net book value	**5,095**	5,141	5,141
Additions	**67**	46	71
Disposals	**(4)**	-	(1)
Revaluation	**-**	-	40
Impaired assets	**(62)**	-	-
Exchange movements	**3**	(3)	(6)
Depreciation charge for the period	**(78)**	(74)	(150)
Closing net book value	**5,021**	5,110	5,095

NOTE 8. INVESTMENT AND ADVANCES TO ASSOCIATES AND JOINT ARRANGEMENTS (JOINT VENTURES AND JOINT OPERATIONS)

Investments include:

Name of entity	Principal activity	Type	Interest Held Unaudited 31 Dec 2014	Unaudited 31 Dec 2013	Audited 30 June 2014	Country
TPC Holdings Limited	Investment holding	Associate	25.00%	25.00%	25.00%	New Zealand
Rotokawa	Steamfield operation	Joint Operation	64.80%	64.80%	64.80%	New Zealand
Nga Awa Purua	Electricity generation	Joint Operation	65.00%	65.00%	65.00%	New Zealand
Energy Source LLC	Investment holding	Joint Venture	20.86%	20.86%	20.86%	United States
Hudson Ranch I Holdings LLC	Electricity generation	Joint Venture	75.00%	75.00%	75.00%	United States

	Associates: Unaudited 6 Months 31 Dec 2014 $M	Unaudited 6 Months 31 Dec 2013 $M	Audited 12 Months 30 June 2014 $M	Joint Ventures: Unaudited 6 Months 31 Dec 2014 $M	Unaudited 6 Months 31 Dec 2013 $M	Audited 12 Months 30 June 2014 $M
Balance at the beginning of the period	78	82	82	23	30	29
Additions during the period	-	-	-	-	1	1
Advance during the period	-	-	-	-	1	-
Share of earnings	1	4	8	-	(4)	(4)
Share of movement in other comprehensive income	(3)	(8)	(8)	-	-	-
Distributions received during the period	(3)	(2)	(4)	-	-	-
Impaired investment in joint venture	-	-	-	(14)	-	-
Exchange movements	-	-	-	3	(2)	(3)
Balance at the end of the period	73	76	78	12	26	23

NOTE 9. BORROWINGS

	Borrowing Currency Denomination	Maturity	Coupon	Unaudited 6 Months 31 Dec 2014 $M	Unaudited 6 Months 31 Dec 2013 $M	Audited 12 Months 30 June 2014 $M
Bank facilities	NZD	Various	Floating	-	165	185
Commercial Paper Programme	NZD	< 3 months	Floating	-	100	50
Wholesale bonds	NZD	Oct-2016	7.55%	71	71	71
Wholesale bonds	NZD	Oct-2016	Floating	51	50	51
Wholesale bonds	NZD	Mar-2019	5.03%	76	76	76
Wholesale bonds	NZD	Feb-2020	8.21%	31	31	31
USPP - US$125m	USD	Dec-2020	4.25%	164	164	164
Wholesale / Credit wrapper	NZD	Sep-2021	Floating	301	301	301
USPP - US$30m	USD	Dec-2022	4.35%	39	39	39
Wholesale bonds	NZD	Mar-2023	5.79%	25	25	25
USPP - US$45m	USD	Dec-2025	4.60%	58	58	58
Capital Bonds	NZD	Jul-2044	6.90%	305	-	-
Deferred financing costs				(8)	(1)	(1)
Fair value adjustments				24	(2)	(9)
Carrying value of loans				1,137	1,077	1,041
Current				10	105	56
Non-current				1,127	972	985
				1,137	1,077	1,041

In July 2014 the Company issued $300 million of unsecured subordinated Capital Bonds which have a legal maturity of July 2044 and an interest rate of 6.90% to the first reset date being July 2019. The Capital Bonds have a BB+ issue credit rating from Standard & Poor's .

In August 2014 the Company restructured its $520 million bank loan facilities to $300 million of committed and unsecured bank loan facilities, of which $200 million is due in August 2018 and a rolling bank loan of $100 million currently due in June 2016.

NOTE 10. RELATED PARTY TRANSACTIONS

Ultimate shareholder

The majority shareholder of Mighty River Power Limited is the Crown, providing it with significant potential influence over the Group. All transactions with the Crown and other entities wholly or partly owned by the Crown are on normal commercial terms. Transactions cover a variety of services including trading energy, postal, travel and tax.

Transactions with related parties

Mighty River Power Limited has investments in subsidiaries, associates and joint arrangements, all of which are considered related parties.

As these are consolidated financial statements transactions between related parties within the Group have been eliminated. Consequently, only those transactions between entities which have some owners external to the Group have been reported below:

	Transaction Value		
	Unaudited	Unaudited	Audited
	6 Months	6 Months	12 Months
	31 Dec 2014	31 Dec 2013	30 June 2014
	$M	$M	$M
Associates			
Management fees and service agreements received	**2**	3	4
Energy contract settlements received	**2**	-	4
Joint operations			
Management fees and service agreements received	**3**	3	5
Energy contract settlements paid	**(2)**	(10)	(6)
Interest income	**1**	1	1

	Transaction Value		
	Unaudited	Unaudited	Audited
	6 Months	6 Months	12 Months
	31 Dec 2014	31 Dec 2013	30 June 2014
	$000	$000	$000
Key management personnel compensation (paid and payable)			
Directors' fees	**421**	396	756
Benefits for the Chief Executive and Senior Management:			
Salary and other short-term benefits	**3,274**	2,789	6,491
Share-based payments	**243**	74	501
Long-term benefits	**-**	124	-
	3,938	3,383	7,748

For the terms and conditions of these related party transactions refer to note 27 of the 30 June 2014 annual financial statements.

Other transactions with key management personnel

Directors and employees of the Group deal with Mighty River Power Limited as electricity consumers on normal terms and conditions, with staff discounts for employees, within the ordinary course of trading activities. A number of Directors also provide directorship services to other third party entities. A number of these entities transacted with the Group on normal commercial terms during the reporting period.

A number of key management personnel provide directorship services to direct subsidiaries and other third party entities as part of their employment without receiving any additional remuneration. Again, a number of these entities transacted with the Group on normal commercial terms in the reporting period.

NOTE 11. COMMITMENTS AND CONTINGENCIES

	Unaudited 6 Months 31 Dec 2014 $M	Unaudited 6 Months 31 Dec 2013 $M	Audited 12 Months 30 June 2014 $M
Commitments			
Commitments for future capital expenditure include:			
Property, plant and equipment	**39**	58	34
Intangibles	**93**	110	103
Other commitments			
Commitments for future operating expenditure	**128**	46	43

Intangible commitments constitute commitments to purchase emission units. In the event the New Zealand emissions trading scheme is terminated the forward purchase agreements for the acquisition of emissions units which cover a 14 year period will also terminate.

Contingencies

The Company holds land and has interests in fresh water and geothermal resources that are subject to claims that have been brought against the Crown. On 29 August 2014, the Supreme Court gave its decision in Paki v Attorney-General and dismissed the claimants' action seeking a declaration that the Crown holds those parts of the bed of the Waikato River which adjoin former Pouakani land on trust for the Pouakani people on the basis it was incorrectly advanced. The Supreme Court decision has left open the possibility of further litigation in respect of ownership of that land currently held by the Company. The Company has received advice that it may proceed with a high degree of confidence that future decisions on the matter will not impair the Company's ability to operate its hydro assets. A separate claim by the New Zealand Maori Council relating to fresh water and geothermal resources was lodged in 2012 with the Waitangi Tribunal. The Tribunal concluded that Maori have residual (but as yet undefined) proprietary rights in fresh water and geothermal resources and it will be for the Crown to determine how any such rights and interests may best be addressed. The impact of this claim on the Company's operations is unknown at this time.

From time to time the Company will issue letters of credit and guarantees to various suppliers in the normal course of business. However, there is no expectation that any outflow of resource relating to these letters of credit or guarantees will be required as a consequence.

The Company is involved in a contract dispute with New Zealand Carbon Farming (NZCF) over the purchase of carbon credits under a 15 year contract. If NZCF's claim is successful, the Company will be required to buy additional credits over the life of the contract with a notional cost of $6.4 million for previous years and up to $28.3 million over the remaining life of the contract. The dispute is before the Courts and judgement is expected in late February 2015.

MRP Geotermia Curacautín Limitada is involved in a contract dispute which is currently before the Courts with a potential liability of up to $1.6 million New Zealand Dollar equivalent.

The Group has no other material contingent assets or liabilities.

NOTE 12. SUBSEQUENT EVENTS

The Board of Directors has approved an interim dividend of 5.6 cents per share to be paid on 31 March 2015.

There are no other material events subsequent to balance date that would affect the fair presentation of these financial statements.

Review Report to the Shareholders of Mighty River Power Limited

We have reviewed the consolidated interim financial statements of Mighty River Power Limited ("the Company") and its subsidiaries ("the Group") on pages 2 to 13, which comprise the consolidated balance sheet as at 31 December 2014, and the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated cash flow statement for the six months ended on that date, and a summary of significant accounting policies and other explanatory information.

This report is made solely to the Company's shareholders, as a body, in accordance with the engagement letter. Our review has been undertaken so that we might state to the Company's shareholders those matters we are required to state to them in a review report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's shareholders as a body, for our engagement, for this report, or for the opinions we have formed.

Directors' Responsibilities

The directors are responsible for the preparation and fair presentation of consolidated interim financial statements, in accordance with NZ IAS 34 *Interim Financial Reporting* and IAS 34 *Interim Financial Reporting* and for such internal control as the directors determine is necessary to enable the preparation and fair presentation of the consolidated interim financial statements that are free from material misstatement, whether due to fraud or error.

The directors are also responsible for the publication of the consolidated interim financial statements, whether in printed or electronic form.

Reviewer's Responsibilities

The Auditor-General is the auditor of the Group pursuant to section 5(1)(f) of the Public Audit Act 2001. Pursuant to section 32 of the Public Audit Act 2001, the Auditor-General has appointed Simon O'Connor of Ernst & Young to carry out the annual audit of the Group

Our responsibility is to express a conclusion on the consolidated interim financial statements based on our review. We conducted our review in accordance with NZ SRE 2410 *Review of Financial Statements Performed by the Independent Auditor of the Entity* (NZ SRE 2410*)*. NZ SRE 2410 requires us to conclude whether anything has come to our attention that causes us to believe that the consolidated interim financial statements, taken as a whole, are not prepared in all material respects, in accordance with NZ IAS 34 *Interim Financial Reporting* and IAS 34 *Interim Financial Reporting.* As the auditor of Mighty River Power Limited, NZ SRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial statements.

Basis of Conclusion

A review of the consolidated interim financial statements in accordance with NZ SRE 2410 is a limited assurance engagement. The auditor performs procedures, primarily consisting of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing (New Zealand). Accordingly we do not express an audit opinion on the consolidated interim financial statements.

We did not evaluate the security and controls over the electronic presentation of the consolidated interim financial statements.

In addition to this review and the audit of the annual financial statements of the Company and Group, we have performed other engagements in the area of remuneration benchmarking and tax compliance which are compatible with the independence requirements of the Auditor-General, which incorporate the independence requirements of the External Reporting Board. In addition, partners and staff of Ernst & Young may deal with the Group on arm's length terms within the ordinary course of trading activities of the Group. These services have not impaired our independence as auditor of the Company or Group. Other than these engagements and arm's length transactions, and in our capacity as auditor acting on behalf of the Auditor-General, we have no relationship with, or interests in, the Company or Group.

Conclusion

Based on our review nothing has come to our attention that causes us to believe that the consolidated interim financial statements, set out on pages 2 to 13, do not present fairly, in all material respects, the financial position of the Group as at 31 December 2014 and of its financial performance and cash flows for the six months ended on that date in accordance with NZ IAS 34*: Interim Financial Reporting* and IAS 34*: Interim Financial Reporting.*

Our review was completed on 24 February 2015 and our findings are expressed as at that date.

Simon O'Connor

Ernst & Young
On behalf of the Auditor-General
24 February 2015
Auckland, New Zealand

MIGHTY RIVER POWER

24 February 2015

Company Announcements Office
ASX Market Announcements
Exchange Centre
Level 6
20 Bridge Street
Sydney NSW 2000 Australia

Dear Sir/Madam

Mighty River Power Limited (MYT)

Listing Rule 4.2A.2A – Details of Directors and Directors' Declaration in Respect of the Half Year Financial Statements and Notes

This announcement is made pursuant to ASX Listing Rule 4.2A.2A and relates to, and should be read in conjunction with, the company's announcement of its half year financial statements for the six months to 31 December 2014, dated 24 February 2015.

The directors of Mighty River Power Limited, at any time during or since the end of the half year ended 31 December 2014 were:

Joan Withers	Chair
James Miller	Director
Keith Smith	Director
Mike Allen	Director
Patrick Strange	Director
Prue Flacks	Director
Tania Simpson	Director
Andy Lark	Director

Attached is a declaration on behalf of the directors of the company in respect of the company's half year financial statements and notes for the six months to 31 December 2014.

Yours sincerely

Tony Nagel

Company Secretary

Level 14, ANZ Centre, 23-29 Albert Street, Auckland 1010. PO Box 90399, Auckland 1142, New Zealand
PHONE + 64 9 308 8200 FAX + 64 9 308 8209
www.mightyriver.co.nz

Mighty River Power Limited

("Company")

Directors' declaration in respect of the Group Financial Statements for six months ended 31 December 2014

Introduction

It is a requirement of the ASX Listing Rules that a declaration to be given by the directors of the Company in respect of the financial statements for the Company and its subsidiaries (Mighty River Power Group) for the six months ended 31 December 2014. This declaration must be filed with the Australian Securities Exchange.

Declaration

The directors of the Company hereby declare that in the directors' opinion:

> The Mighty River Power Group financial statements for the six months ended 31 December 2014 comply with generally accepted accounting practice in New Zealand as it relates to the half year financial statements;

> The Mighty River Power Group financial statements for the six months ended 31 December 2014 and the notes to those financial statements give a true and fair view of the financial position and performance of the Mighty River Power Group; and

> There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the directors dated 23 February 2015 and is signed for and on behalf of the directors by the Board Chair.

Signed

Joan Withers

Chair

APPENDIX 7 – NZSX Listing Rules

EMAIL: announce@nzx.com

Number of pages including this one (Please provide any other relevant details on additional pages) 1

Notice of event affecting securities

NZSX Listing Rule 7.12.2. For rights, NZSX Listing Rules 7.10.9 and 7.10.10.
For change to allotment, NZSX Listing Rule 7.12.1, a separate advice is required.

Full name of Issuer: Mighty River Power Limited

Name of officer authorised to make this notice: Tony Nagel, GM Corporate Affairs

Authority for event, e.g. Directors' resolution: Directors' resolution

Contact phone number: +64 9 308 8200

Contact fax number: +64 9 308 8209

Date: 24 / 02 / 2015

Nature of event
Tick as appropriate

Bonus Issue ☐ *If ticked, state whether:* *Taxable* ☐ */ Non Taxable* ☐ *Conversion* ☐ *Interest* ☐ *Rights Issue Renouncable* ☐

Rights Issue non-renouncable ☐ Capital change ☐ Call ☐ Dividend ☒ If ticked, state whether: Interim ☒ Full Year ☐ Special ☐ DRP Applies ☐

EXISTING securities affected by this

If more than one security is affected by the event, use a separate form.

Description of the class of securities: Mighty River Power Limited ordinary shares

ISIN: NZMRPE0001S2
If unknown, contact NZX

Details of securities issued pursuant to this event

If more than one class of security is to be issued, use a separate form for each class.

Description of the class of securities:

ISIN:
If unknown, contact NZX

Number of Securities to be issued following event:

Minimum Entitlement:

Ratio, e.g 1 *for* 2: *for*

Conversion, Maturity, Call Payable or Exercise Date:
Enter N/A if not applicable

Treatment of Fractions:

Tick if pari passu ☐ *OR* *provide an explanation of the ranking*:

Strike price per security for any issue in lieu or date Strike Price available.

Monies Associated with Event

Dividend payable, Call payable, Exercise price, Conversion price, Redemption price, Application money.

In dollars and cents

Amount per security (does not include any excluded income): $0.05600

Source of Payment: Income available for distribution

Excluded income per security (only applicable to listed PIEs): not applicable

Currency: New Zealand Dollars

Supplementary dividend details - NZSX Listing Rule 7.12.7:
Amount per security in dollars and cents: $0.009882
Date Payable: 31 March 2015

Total monies: $77,076,789

Taxation

Amount per Security in Dollars and cents to six decimal places

In the case of a taxable bonus issue state strike price: $

Resident Withholding Tax: $0.003889

Imputation Credits (Give details): $0.021778

Foreign Withholding Tax: $

FWP Credits (Give details):

Timing (Refer Appendix 8 in the NZSX Listing Rules)

Record Date 5pm
For calculation of entitlements -
12 March 2015

Application Date
Also, Call Payable, Dividend / Interest Payable, Exercise Date, Conversion Date. In the case of applications this must be the last business day of the week.
31 March 2015

Notice Date
Entitlement letters, call notices, conversion notices mailed

Allotment Date
For the issue of new securities. Must be within 5 business days of application closing date.

OFFICE USE ONLY
Ex Date:
Commence Quoting Rights:
Cease Quoting Rights 5pm:
Commence Quoting New Securities:
Cease Quoting Old Security 5pm:

Security Code:
Security Code:

NZX

Rule 3.8A

Appendix 3C

Announcement of buy-back (*except* minimum holding buy-back)

Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/9/99. Origin: Appendix 7B. Amended 13/3/2000, 30/9/2001, 11/01/10

Name of entity	ABN/ARSN
Mighty River Power Limited ("the Company")	162 804 668

We (the entity) give ASX the following information.

Information about buy-back

1	Type of buy-back	On-market buyback (NZSX only)
2	+Class of shares/units which is the subject of the buy-back *(eg, ordinary/preference)*	Ordinary
3	Voting rights *(eg, one for one)*	One for one
4	Fully paid/partly paid *(and if partly paid, details of how much has been paid and how much is outstanding)*	Fully paid
5	Number of shares/units in the +class on issue	1,400,012,517
6	Whether shareholder/unitholder approval is required for buy-back	No
7	Reason for buy-back	Capital management – to be executed only if a buyback of shares would benefit the Company and Mighty River Power's shareholders

+ See chapter 19 for defined terms.

8	Any other information material to a shareholder's/unitholder's decision whether to accept the offer *(eg, details of any proposed takeover bid)*	N/A

On-market buy-back

9	Name of broker who will act on the company's behalf	Goldman Sachs New Zealand Limited
10	Deleted 30/9/2001.	
11	If the company/trust intends to buy back a maximum number of shares - that number Note: This requires a figure to be included, not a percentage.	Not more than 15,000,000 ordinary shares (which is equal to approximately 1.1% of ordinary shares on issue)
12	If the company/trust intends to buy back shares/units within a period of time - that period of time; if the company/trust intends that the buy-back be of unlimited duration - that intention	The buyback may commence from 27 February 2015 and may continue until 23 February 2016
13	If the company/trust intends to buy back shares/units if conditions are met - those conditions	N/A

Employee share scheme buy-back

14	Number of shares proposed to be bought back	N/A
15	Price to be offered for shares	N/A

Selective buy-back

16	Name of person or description of class of person whose shares are proposed to be bought back	N/A
17	Number of shares proposed to be bought back	N/A
18	Price to be offered for shares	N/A

Equal access scheme

19	Percentage of shares proposed to be bought back	N/A
20	Total number of shares proposed to be bought back if all offers are accepted	N/A
21	Price to be offered for shares	N/A
22	+Record date for participation in offer Cross reference: Appendix 7A, clause 9.	N/A

Compliance statement

1. The company is in compliance with all Corporations Act requirements relevant to this buy-back.

2. There is no information that the listing rules require to be disclosed that has not already been disclosed, or is not contained in, or attached to, this form.

Sign here: Date: 24 February 2015
(Company secretary)

Print name: Tony Nagel

+ See chapter 19 for defined terms.