



meridian

News Release

Stock exchange listings: NZX (MELCA) ASX (MEZCA)

Meridian Energy monthly operating report for March 2015

14 April, 2015

Attached is Meridian Energy Limited's monthly operating report for the month ending 31 March, 2015.

Highlights this month include:

- National storage decreased to 65% of average
- Meridian's March 2015 monthly inflows were 56% of average
- Meridian's Waitaki catchment storage decreased from 84% to 72% of average by the end of March 2015
- Electricity demand in March 2015 was 3.5% higher than the same month last year
- Demand in the last 12 months is 2.1% higher than preceding 12 months
- Powershop Australia's customer connection numbers have now passed 35,000

ENDS

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Important Notice for Investors: The securities of Meridian Energy Limited are represented by Instalment Receipts. Each Instalment Receipt carries a liability to pay a further instalment of NZ\$0.50 on 15 May 2015. When investors acquire the Instalment Receipts they assume the liability to pay the Final Instalment. It is the investor's responsibility to ensure that if they are on the register when the liability for the instalment arises, they can afford to pay the instalment. If an investor has a liability and does not pay the instalment, the Trustee can take action to recover the amount owing including costs and expenses.

Meridian Energy Limited (ARBN 151 800 396) A company incorporated in New Zealand 33 Customhouse Quay, PO Box 10840, Wellington 6143

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Monthly Operating Report

March 2015



meridian



March Highlights



In the month to 10 April 2015, national hydro storage decreased from 81% to 65% of historical average

South Island storage now sits at 64% of average and North Island storage at 79% of average

Meridian's March 2015 monthly inflows were 56% of historical average

Meridian's Waitaki catchment storage decreased from 84% to 72% of average by the end of March 2015

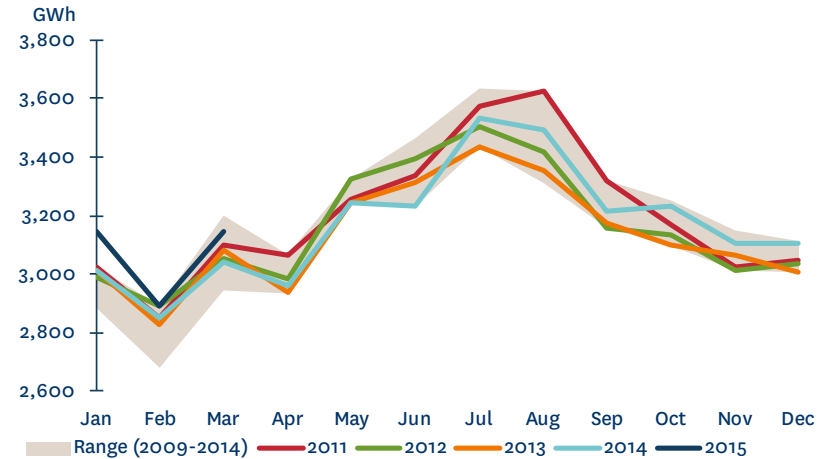
National electricity demand in March 2015 was 3.5% higher than the same month last year

Demand in the last 12 months is 2.1% higher than the preceding 12 months

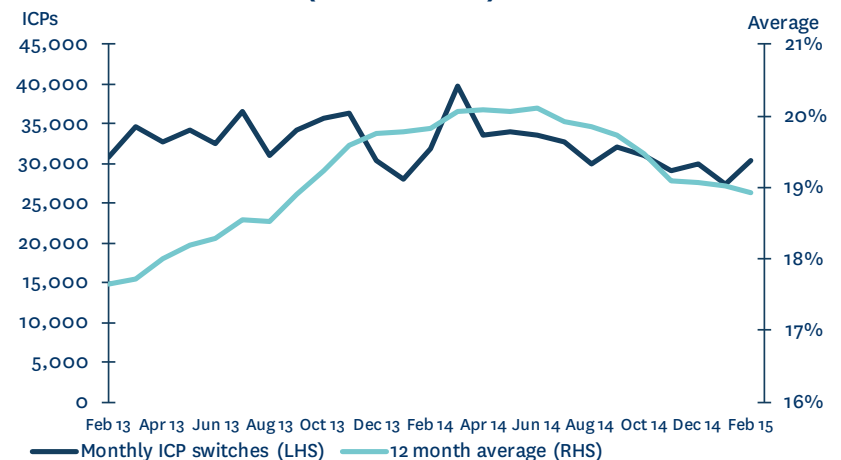
Market Data

- National electricity demand in March 2015 was 3.5% higher than the same month last year
- Demand in the 2015 calendar year is showing around 2.1% growth compared with the same three month period last year
- New Zealand Aluminium Smelters' average load during March 2015 was slightly above the 572MW base quantity of the NZAS agreement
- The number of switches for all retailers in February 2015 was 10.9% higher than the previous month and 4.8% lower than February 2014
- The 12 month average switching rate for all retailers was 18.9% at the end of February 2015

NATIONAL DEMAND

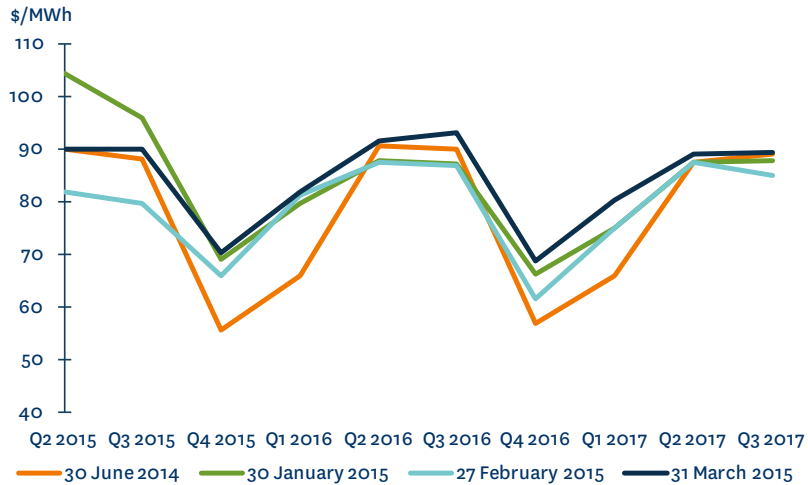


MARKET ICP SWITCHING (ALL RETAILERS)

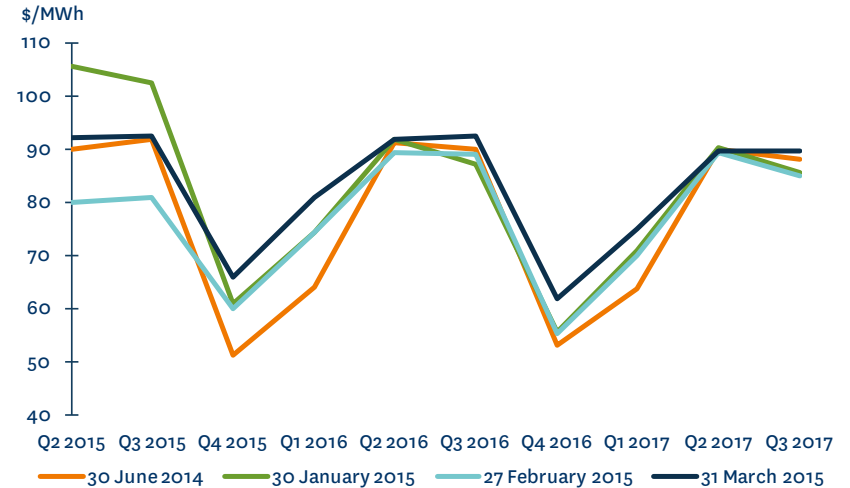


Market Data

OTAHUHU ASX FUTURES SETTLEMENT PRICE

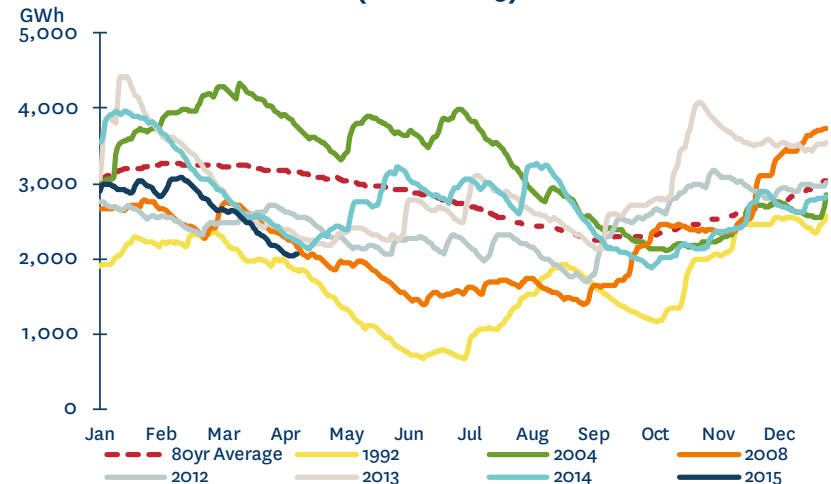


BENMORE ASX FUTURES SETTLEMENT PRICE



- March 2015 saw modest increases in ASX futures prices with declining national hydro storage
- National storage decreased from 81% of the 80 year average on 10 March 2015 to 65% of average by 10 April 2015
- South Island storage decreased to 64% of historical average by 10 April 2015. North Island storage decreased to 79% of average

NATIONAL HYDRO STORAGE (10 APR 2015)



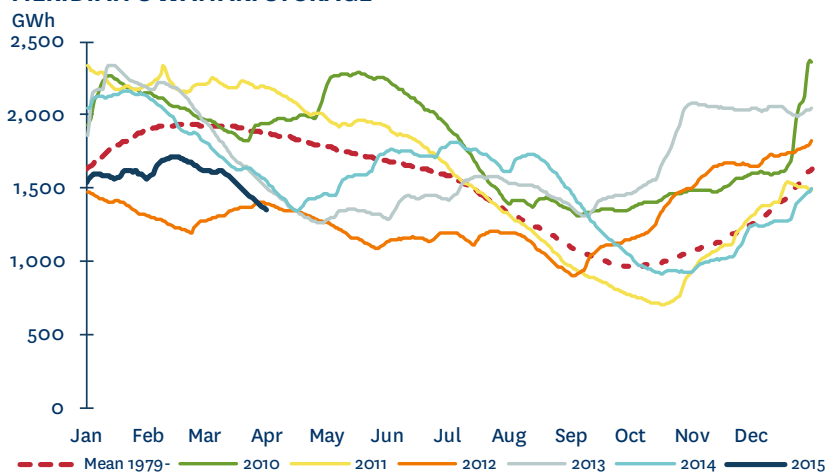
Meridian Operating Information

- March monthly inflows were 56% of historical average
- To date this financial year inflows are 93% of historical average
- Meridian's Waitaki catchment storage moved from 1,625GWh to 1,349GWh during March 2015
- Storage at the end of March 2015 was 72% of historical average, compared with the position a month earlier, where storage was at 84% of historical average
- Waitaki storage at the end of March 2015 was 13% lower than the same time last year
- Storage in Meridian's Waiau catchment also fell during March 2015

MERIDIAN'S COMBINED CATCHMENT INFLOWS



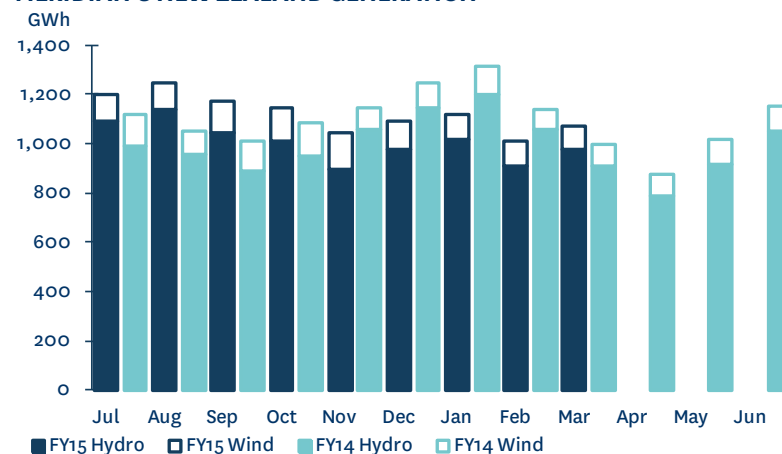
MERIDIAN'S WAITAKI STORAGE



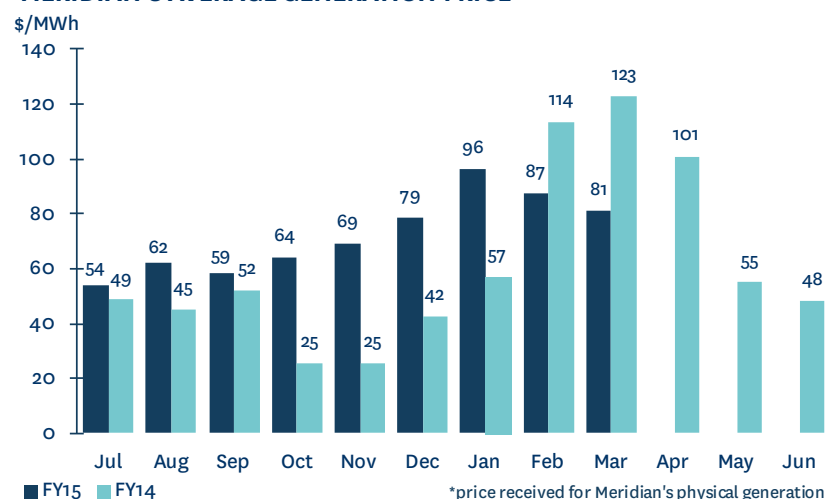
Meridian Operating Information

- Meridian's New Zealand generation in March 2015 was 7.5% higher than the same month last year
- To date this financial year Meridian's New Zealand generation is 0.1% lower than the same period last year
- The average price Meridian received for its generation in March 2015 was 34.1% lower than the same month last year
- The average price Meridian paid to supply contracted sales in March 2015 was 33.5% lower than the same month last year
- To date this financial year, the average price Meridian has received for its generation is 22.8% higher than the same period last year

MERIDIAN'S NEW ZEALAND GENERATION



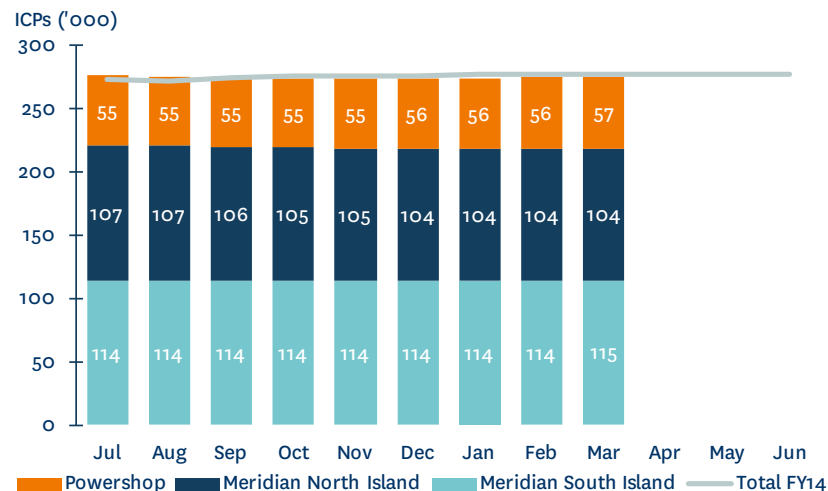
MERIDIAN'S AVERAGE GENERATION PRICE*



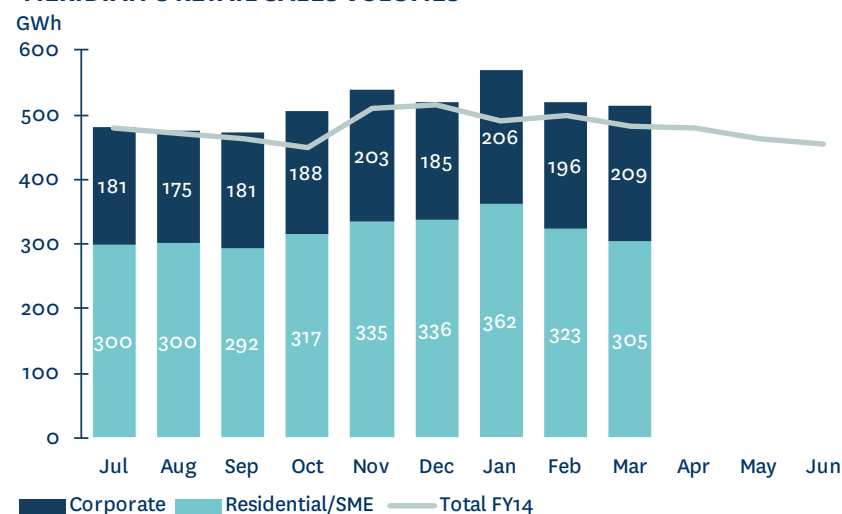
Meridian Operating Information

- Meridian's New Zealand customer connection numbers increased 0.3% during March 2015
- Powershop Australia's customer connection numbers have now passed 35,000
- Retail sales volumes in March 2015 increased by 6.6% compared to March 2014
- Compared to March 2014, residential/SME sales volumes increased by 17.8% and corporate sales volumes decreased by 6.3%
- Irrigation load volumes have declined from last month, however remain above March 2014
- To date this financial year Meridian's retail sales volumes are 5.4% higher than the same period last year
- This reflects a 10.1% increase in residential/SME sales volumes and a 1.6% decrease in corporate sales volumes

MERIDIAN'S NEW ZEALAND CUSTOMER CONNECTIONS



MERIDIAN'S RETAIL SALES VOLUMES*



Meridian Operating Information

	March 2015 month	March 2014 month	February 2015 month	January 2015 month	9 months to March 2015	9 months to March 2014
New Zealand Contracted Sales¹						
Retail contracted sales volume (GWh)	514	482	519	568	4,595	4,358
Average retail contracted sales price (\$/MWh)	\$94.6	\$91.9	\$92.7	\$91.5	\$98.8	\$100.0
NZAS sales volume (GWh)	426	426	384	426	3,761	3,761
Sell side derivative volumes ² (GWh)	49	80	50	74	780	700
Wholesale contracted sales average price (\$/MWh)	\$52.1	\$51.1	\$53.6	\$53.6	\$51.4	\$50.4
Total New Zealand customer connections ³	275,488	277,404	274,673	274,052		
Powershop Australia customer connections ⁴	35,138	5,880	<i>not disclosed</i>	<i>not disclosed</i>		
New Zealand Generation						
Hydro generation volume (GWh)	977	907	907	1,020	9,067	9,155
Wind generation volume (GWh)	95	90	102	95	1,031	948
Total generation volume (GWh)	1,072	997	1,009	1,115	10,098	10,103
Average generation price ⁵ (\$/MWh)	\$81.0	\$122.9	\$87.4	\$96.4	\$71.9	\$58.5
Acquired generation volume ⁶ (GWh)	40	123	59	39	668	838
Cost of acquired generation (\$/MWh)	\$80.1	\$87.3	\$85.2	\$79.1	\$83.4	\$83.4
Cost to supply contracted sales (\$/MWh)	\$83.2	\$125.1	\$91.0	\$100.8	\$76.6	\$63.0

1. Contracted sales volumes and volume weighted average price received from contracted customers less distribution costs

2. Excludes the sell-side of virtual asset swaps

3. Meridian Retail and Powershop New Zealand installation control points (ICPs), excluding vacants

4. Financially responsible market participants, excluding vacants

5. Volume weighted average price received for Meridian's physical generation

6. Excludes the buy-side of virtual asset swaps

Glossary

Acquired generation volumes	buy-side electricity derivatives excluding the buy-side of virtual asset swaps
Average generation price	the volume weighted average price received for Meridian's physical generation
Average retail contracted sales price	volume weighted average electricity price received from retail customers, less distribution costs
Average wholesale contracted sales price	volume weighted average electricity price received from wholesale customers, including NZAS
Combined catchment inflows	combined water inflows into Meridian's Waitaki and Waiau hydro storage lakes
Cost of acquired generation	volume weighted average price Meridian pays for derivatives acquired to supplement generation
Cost to supply contracted sales	volume weighted average price Meridian pays to supply contracted customer sales
Customer connections (NZ)	number of installation control points, excluding vacants
GWh	gigawatt hour. Enough electricity for 125 average New Zealand households for one year
Historic average inflows	the historic average combined water inflows into Meridian's Waitaki and Manapouri hydro storage lakes over the last 81 years
Historic average storage	the historic average level of storage in Meridian's Waitaki catchment since 1979
HVDC	high voltage direct current link between the North and South Islands of New Zealand
ICP	New Zealand installation control points, excluding vacants
ICP switching	the number of installation control points changing retailer supplier in New Zealand, recorded in the month the switch was initiated
MWh	megawatt hour. Enough electricity for one average New Zealand household for 46 days
National demand	Transpower's Daily Demand reporting, adjusted for embedded generation from Meridian's Te Uku, White Hill and Mill Creek wind farms
NZAS	New Zealand Aluminium Smelters Limited
Retail sales volumes	contract sales volumes to retail customers, including both non half hourly and half hourly metered customers
Sell side derivatives	sell-side electricity derivatives excluding the sell-side of virtual asset swaps