



Quarterly Operational Update

Three months ended 31 March 2015



QUARTERLY HIGHLIGHTS

2↑
%

NATIONAL DEMAND for electricity up

\$6
EBR
MWh

ASX FY2017 FUTURES PRICE up since December

80↑
GWh

TAUPO STORAGE 80GWh higher than last year



COMMENTARY

DEMAND GROWTH AND REDUCED THERMAL CAPACITY; ASX FUTURES PRICE UP

During the quarter ended 31 March 2015, FY2017 ASX futures prices were up \$6/MWh reflecting balance between supply and demand from an energy perspective. Electricity demand increased against the prior comparable period (pcp) for the third consecutive quarter, with national consumption up 2%, in part due to the increased electricity usage in irrigation and milk processing. The trend of reduced thermal capacity continued with Mighty River Power announcing the planned closure of its gas-fired station, Southdown, on 31 December 2015.

Despite these trends, and declining national hydro storage, wholesale prices during the period were lower than Q3 last year due to additional renewable generation from Contact's Te Mihi geothermal plant and Meridian Energy's Mill Creek wind farm, the return to service of Genesis Energy's Tekapo hydro following canal repairs in the pcp, and thermal generation from Huntly.

LAKE TAUPO STORAGE 80GWh HIGHER THAN SAME TIME LAST YEAR

Following another quarter of low rainfall, Lake Taupo storage ended the period at 75% of average. However average rainfall since the end of March, combined with the decision to conserve water, leaves the Company well-positioned with storage 80GWh higher than last year and 84% of average (compared with 51% at the same time last year). By contrast, South Island storage dropped to 67% of average at the end of March.

Mighty River Power's hydro generation was 707GWh (down 126GWh on pcp), 21% below the Company's Q3 average and a record low for the third quarter since the Company was formed in 1999. This was partly offset by higher gas-fired generation, principally reflecting 65GWh of generation from the Company's virtual peaker contract.

ADVANCED METER DEPLOYMENT

The Company's metering business, Metrix, deployed 10,000 AMI advanced meters during the quarter, as mass deployment was completed in a number of networks. Metrix's primary focus remains on systems development and integration to prepare for advanced metering service delivery and the deployment of advanced meters to Trustpower's residential customers.

Mighty River Power will release its financial results for the 12 months ended 30 June 2015 on 28 August 2015.



OPERATING STATISTICS

| Operating Information | Three months ended 31 March 2015 | | Three months ended 31 March 2014 | | Nine months ended 31 March 2015 | | Nine months ended 31 March 2014 | |
|--|-------------------------------------|-------------------|-------------------------------------|-----------------|------------------------------------|-----------------|------------------------------------|-----------------|
| Electricity Sales | VWAP ¹ (\$/MWh) | Volume (GWh) | VWAP ¹ (\$/MWh) | Volume (GWh) | VWAP ¹ (\$/MWh) | Volume (GWh) | VWAP ¹ (\$/MWh) | Volume (GWh) |
| FPVV sales to customers | 111.21 | 968 | 112.67 | 1,077 | 115.56 | 3,376 | 116.25 | 3,659 |
| FPVV sales to residential customers | | 492 | | 498 | | 1,830 | | 1,810 |
| FPVV sales to business customers | | 476 | | 579 | | 1,546 | | 1,849 |
| FPVV purchases from market | | 1,017 | | 1,132 | | 3,549 | | 3,842 |
| Spot customer purchases | | 334 | | 374 | | 1,052 | | 1,232 |
| Total NZEM Purchases | 96.38 | 1,351 | 107.12 | 1,506 | 79.90 | 4,601 | 70.31 | 5,074 |
| Electricity Customers ('000's) | | 385 | | 380 | | | | |
| North Island Customers | | 351 | | 344 | | | | |
| South Island Customers | | 34 | | 36 | | | | |
| Dual Fuel Customers | | 41 | | 39 | | | | |
| Contracts for Difference | | Volume (GWh) | | Volume (GWh) | | Volume (GWh) | | Volume (GWh) |
| Buy CfD | | 392 | | 511 | | 1,285 | | 1,737 |
| Sell CfD | | 768 | | 742 | | 2,508 | | 2,522 |
| End User CfD | | 387 | | 440 | | 1,231 | | 1,552 |
| Net Sell CfD ² | | 376 | | 231 | | 1,223 | | 785 |
| Electricity Generation | VWAP (\$/MWh) | Volume (GWh) | VWAP (\$/MWh) | Volume (GWh) | VWAP (\$/MWh) | Volume (GWh) | VWAP (\$/MWh) | Volume (GWh) |
| Hydro | 96.27 | 707 | 111.16 | 834 | 81.69 | 2,463 | 75.06 | 2,682 |
| Gas | 105.94 | 94 ⁶ | 152.52 | 6 | 83.71 | 389 | 83.40 | 94 |
| Geothermal (consolidated) ³ | 88.95 | 638 | 97.62 | 625 | 74.89 | 1,875 | 66.47 | 1,843 |
| Geothermal (equity accounted) ⁴ | 89.54 | 58 | 99.89 | 57 | 75.18 | 175 | 68.70 | 161 |
| Total | 93.50 | 1,497 | 105.34 | 1,522 | 79.02 | 4,902 | 71.70 | 4,780 |
| LWAP/GWAP | | 1.03 | | 1.02 | | 1.01 | | 0.98 |
| Gas Purchases | \$/GJ | PJ | \$/GJ | PJ | \$/GJ | PJ | \$/GJ | PJ |
| Retail purchases ⁵ | 9.20 | 0.15 | 9.85 | 0.13 | 9.21 | 0.77 | 9.02 | 0.73 |
| Generation purchases | 3.22 | 1.06 ⁶ | 9.43 | 0.19 | 5.91 ⁶ | 3.84 | 8.85 | 1.28 |
| Carbon Emissions ('000 tonnes CO ₂ e) | | 228 ⁶ | | 90 | | 522 | | 322 |
| Metrix AMI Meters ('000) | | 377 | | 340 | | | | |

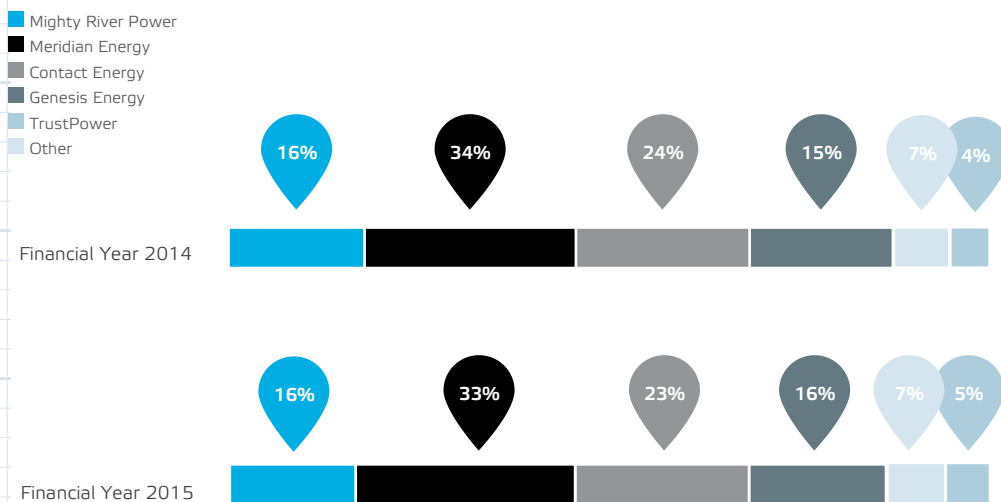
1. VWAP is volume weighted average energy-only price sold to FPVV customers after lines, metering and fees
2. Includes Virtual Asset Swap volumes in both Buy and Sell CfD volumes of 172GWh for the 3 months ended 31 March 2015 and 172GWh for the 3 months ended 31 March 2014 and of 525GWh for the 9 months ended 31 March 2015 and 500GWh for the 9 months ended 31 March 2014
3. Includes Mighty River Power's 65% share of Nga Awa Purua generation
4. Tuaropaki Power Company (Moka) equity share
5. Prices exclude fixed transmission charges
6. Includes the virtual peaker operation of 65GWh for the 3 months ended 31 March 2015 and 122GWh for the 9 months ended 31 March 2015



MARKET DATA



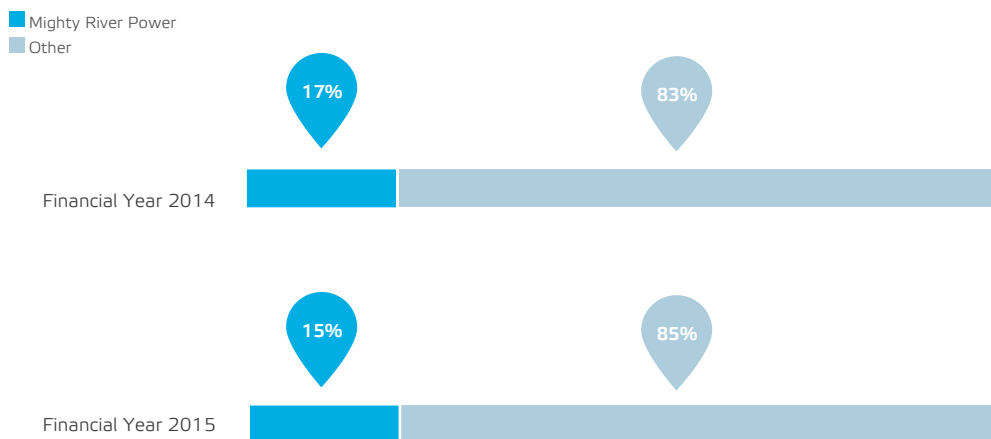
ELECTRICITY GENERATION BY COMPANY FOR THE NINE MONTHS ENDED 31 MARCH



Source: Electricity Authority Centralised Dataset, Transpower SCADA



SHARE OF ELECTRICITY SALES (GWh) FOR THE NINE MONTHS ENDED 31 MARCH

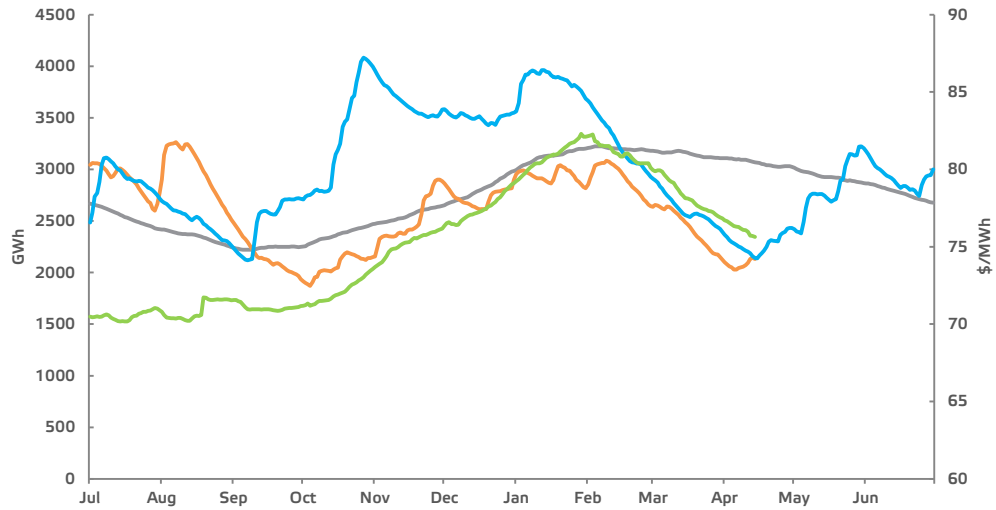


Source: Mighty River Power Purchases and Transpower SCADA



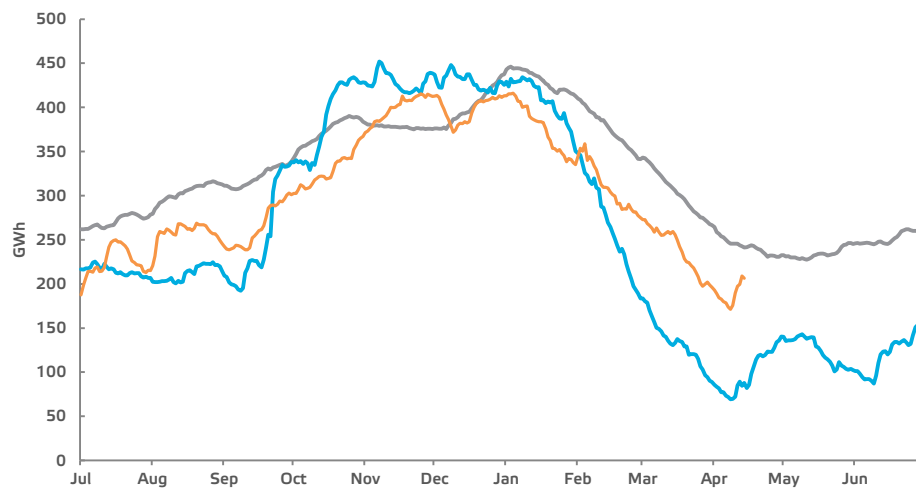
OTAHUHU WHOLESALE PRICE AND NATIONAL HYDRO STORAGE LEVELS

- Storage national average
- Storage FY2015
- Storage FY2014
- Rolling 12 month average Otahuhu price



TAUPO STORAGE

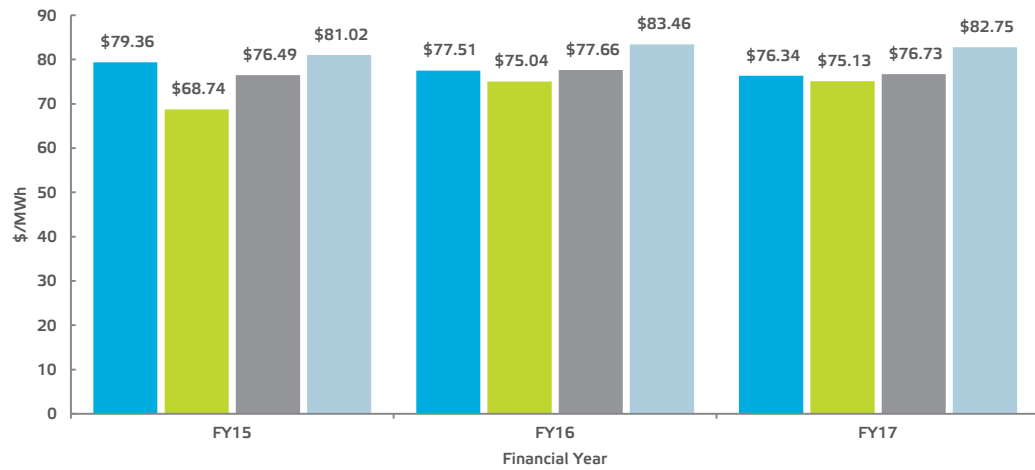
- Average since 1999
- FY2014
- FY2015





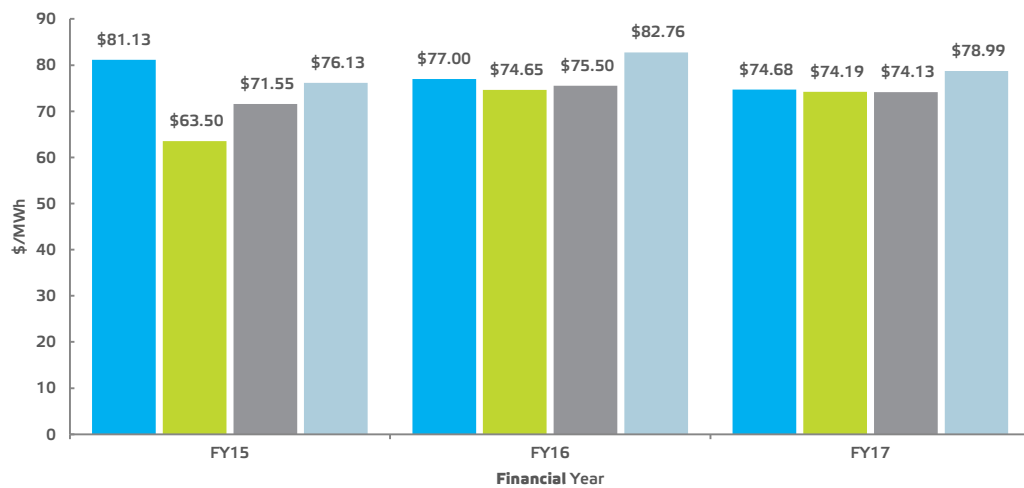
OTAHUHU ASX FUTURES SETTLEMENT PRICE

- As at 31 March 2014
- As at 30 June 2014
- As at 31 December 2014
- As At 31 March 2015



BENMORE ASX FUTURES SETTLEMENT PRICE

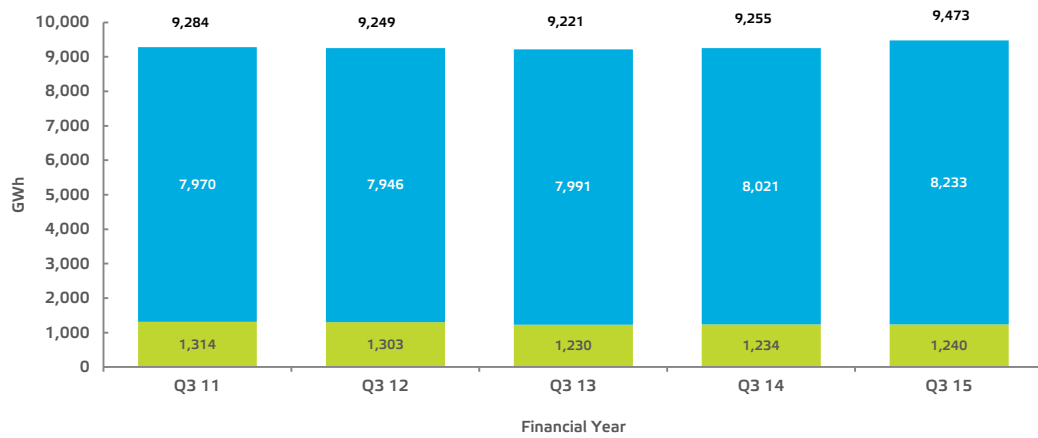
- As at 31 March 2014
- As at 30 June 2014
- As at 31 December 2014
- As at 31 March 2015





NATIONAL CONSUMPTION

■ Tiwai Point Aluminium Smelter consumption
■ National consumption



Source: Transpower Information Exchange



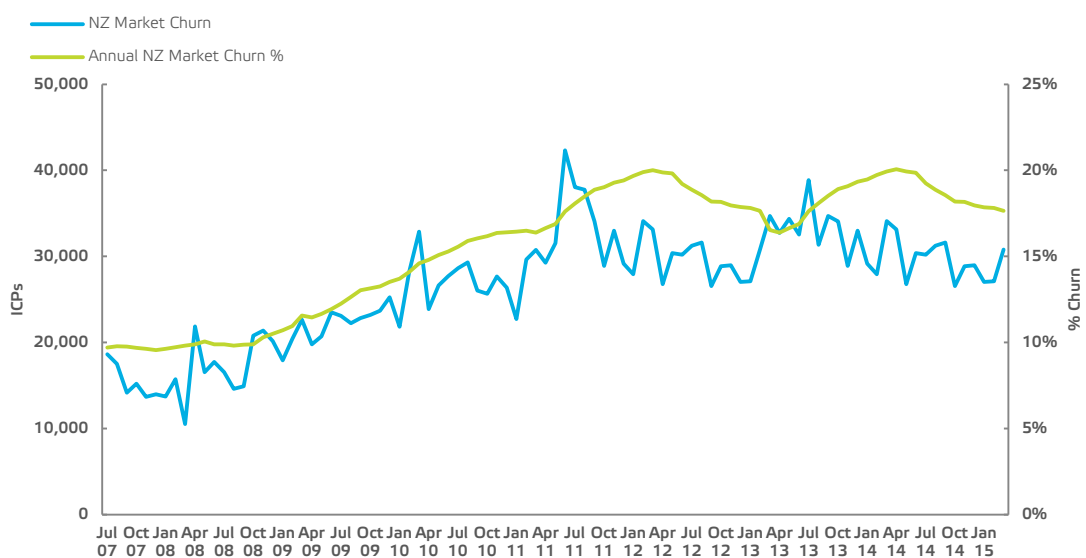
NATIONAL CLIMATE SUMMARY

| Financial Year | Q1 | Q2 | Q3 | Q4 |
|---------------------------------|---------|---------|---------|---------|
| 2015 | 11.9° C | 15.9° C | 19.9° C | n/a |
| 2014 | 12.3° C | 16.7° C | 18.9° C | 14.8° C |
| 2013 | 12.3° C | 16.5° C | 19.6° C | 14.4° C |
| 2012 | 11.5° C | 16.6° C | 18.9° C | 14.0° C |
| Historical Average (since 1999) | 11.9° C | 16.1° C | 19.4° C | 14.2° C |

Source: NIWA, Met Service



MONTHLY TOTAL CONSUMER RETAIL SWITCHING (ICP)



Source: Electricity Authority