Market Announcement

Dated: 11 May 2017

Tilt Renewables results announcement for the financial year ended 31 March 2017

Tilt Renewables Limited and its subsidiaries ("Tilt Renewables" or "Group") released today its financial statements for the year ended 31 March 2017 ("FY17") together with key highlights and operating metrics for the year. All numbers referred to in this release are in AUD millions.

The financial results for FY17 include a combined 7 months of operations under Trustpower stewardship and 5 months (31 October 2016 to 31 March 2017) under the stewardship of Tilt Renewables. The prior year comparative financials reflect the performance of Tilt Renewables' portfolio of operating assets in Australia and New Zealand under a full 12 months of Trustpower stewardship.

In the short period since the demerger we have been focused on establishing Tilt Renewables as a stand-alone business, recruiting a strong and experienced team and positioning the company for future growth.

We are looking to leverage off the long held values of Trustpower but with an increased focus on executing available development opportunities. We believe that holding a large and diverse portfolio of greenfield development options is the best way to provide sufficient flexibility to execute a range of value accretive projects as market dynamics permit.

Key highlights for FY17

Highlights for the year ending 31 March 2017 included:

- Demerger from Trustpower successfully completed 31 October 2016
- Tilt Renewables is now a stand-alone dual listed company on the NZX and ASX with generation and development assets across Australia and New Zealand and a corporate office established in Melbourne
- Experienced board, management and broader team assembled with collective 250+ years of renewables track record drawn from leading players in the sector
- Earnings Before Interest, Tax, Depreciation, Amortisation and Fair Value Movements of Financial Instruments ("EBITDAF") of $124 million achieved
- The development pipeline has been expanded with the acquisition and signing of landholder options for 350 MW of early stage solar projects in central Queensland
- 54 MW Salt Creek Wind Farm project in Victoria is well advanced and targeted to achieve Final Investment Decision by 30 June 2017
- Net cash from operating activities of $122 million delivered in the financial year

Business performance in FY17

The financial result for the 12 months to 31 March 2017 is summarised in the section below.

Tilt Renewables' wind assets produced 2,049 GWh in FY17, 6% higher than the prior 12 month period and 95 GWh above long term expectations. Wind speeds were above average in New Zealand and Australia across the year. Relative to the prior period, improved wind speeds and asset availability in Australia resulted in a 9% production uplift on FY16. Tilt Renewables completed FY17 with zero Lost Time Injury or Medical Treatment incidents setting the standard for zero harm across our portfolio.

GWh	FY17			FY16			Change		
	Aust	NZ	Group	Aust	NZ	Group	Aust	NZ	Group
Electricity production	1,305	744	2,049	1,201	724	1,925	9%	3%	6%

Revenue from the sale of electricity and large-scale generation certificates ("LGC") was $174.5 million, 8% higher than the prior period due to stronger production, inflation of Australian power purchase agreement ("PPA") pricing and stronger LGC prices for uncontracted Australian production. New Zealand revenue including post-demerger production sold under the new PPAs with Trustpower, was slightly down on the prior period.

EBITDAF was $124.0 million, 1% lower than the prior period but slightly ahead of management expectation. Net Profit After Tax was $16.4 million versus prior year of $29.1 million, driven lower by higher depreciation and higher income tax expense following the demerger from Trustpower.

At 31 March 2017 the Group had net debt of $544 million and unutilised committed funding lines of $115 million providing flexibility to fund short term growth opportunities. Balance sheet gearing of 51% at the end of FY17 is considered appropriate at this time given the existing portfolio of operational assets and the current high level of contracted revenue produced by those assets, with 98% of electricity and LGC production currently contracted.

FY17 result	Units	FY17	FY16	Change
Safety – Lost Time Injury Frequency Rate	Incidents per million hours	0	n/a	n/a
Revenue	AUD $M	174.5	162.2	8%
EBITDAF	AUD $M	124.0	124.7	(1%)
Net profit after tax	AUD $M	16.4	29.1	(44%)
Earnings Per Share	AUD cps	5.2	9.3	(44%)
Full year Dividends Per Share	AUD cps	5.25	n/a	n/a

Strategy

Tilt Renewables continues to progress the 54 MW Salt Creek Wind Farm in western Victoria and is targeting final investment decision, subject to board approval, by the end of June 2017. In the context of the existing portfolio's highly contracted position and committed debt funding available to the Group, the Salt Creek Wind Farm project is well positioned to add around 170 GWh of annual production from the second half of calendar 2018.

The Group's development portfolio has been enhanced in recent months with the addition of three solar development sites in central Queensland that have a potential combined installed capacity of approximately 350 MW. We believe these sites have strong solar resource, good transmission connection options and can achieve development approvals within a 9 to 12 month timeframe. With these important additions we now have a development pipeline in Australia of close to 2,100 MW of wind and solar projects as well as 530 MW of wind projects in New Zealand.

Following the outcomes of the Palmer wind project appeal hearing, the NSW Planning Assessment Commission, in respect of the Rye Park wind project and the Waverley wind project environmental consent hearing in New Zealand, all expected within the next few months, we are targeting for the Group to have over 1,200 MW of consented projects in Australia and 530 MW in New Zealand by the end of 2017. We are focused on the quality of our pipeline rather than its size and we are highly selective in our pipeline additions.

We believe that the market for LGCs includes customers looking for short and medium term purchasing as well as long term bundled purchasing by the dominant mass market retailers. We aim to be responsive to the market needs of these various parties. Our intent is to bring our best development projects through to financial commitment that add value for our shareholders.

Dividend

The Directors have approved a final unfranked dividend of AUD 2.25 cents per share with a record date of 26 May 2017 and payment date of 9 June 2017.

Robert Farron

Chief Executive

For further information please contact:

Steve Symons
Chief Financial Officer
Phone: +61 419 893 746

Matt Mumme
Manager, Corporate Finance
Phone: +61 409 560 977

Notes

1. EBITDAF is a non GAAP financial measure but is commonly used within the energy and infrastructure sectors as a measure of performance as it shows the level of earnings before impact of gearing levels and non-cash charges such as depreciation and amortisation. Market analysts use this measure as an input into company valuation and valuation metrics used to assess relative value and performance of companies across the sector.
2. Net debt is a measure of indebtedness to external funding providers net of deposits held with those providers and is defined as bank loans less cash at bank.
3. Balance sheet gearing is defined as Net Debt over the sum of Net Debt plus Equity