

VECTOR ANNOUNCES OUTCOME OF CAPITAL BOND ELECTION PROCESS

The Election Date for Vector's \$307,205,000 Capital Bonds (VCT070) is on 15 June 2017.

On 3 May 2017, Bondholders were sent an Election Notice and explanatory notes containing information about the new interest rate applicable to the Capital Bonds for the period from 15 June 2017 until the next election date of 15 June 2022 and details of Bondholders' election options.

Bondholders had until 5pm on 31 May 2017 to respond to the Election Notice.

The outcome of the Election Notice process is as follows:

- \$237,667,367 of Capital Bonds were retained by existing Bondholders;
- \$24,983,967 of Capital Bonds were offered for sale by existing Bondholders under the Resale Facility established by Vector; and
- existing Bondholders applied to purchase \$23,448,333 additional Capital Bonds through the Resale Facility.

All of the Capital Bonds offered for sale by existing Bondholders under the Resale Facility have been sold, with settlement of such sales to occur on 15 June 2017. Capital Bonds offered for sale by existing Bondholders under the Resale Facility were first allocated to existing Bondholders who applied to purchase additional Capital Bonds through the Resale Facility, with the balance allocated to new investors through a firm allocation process.

ENDS

About Vector

Vector is New Zealand's leading multi-network infrastructure company which delivers energy and communication services to more than one million homes and businesses across the country.

Vector is listed on the New Zealand Stock Exchange with ticker symbol VCT. Our majority shareholder, with voting rights of 75.4%, is Entrust (formerly Auckland Energy Consumer Trust).

For further information, visit www.vector.co.nz

MEDIA RELEASE

6 June 2017



Contact

Dan Molloy
Chief Financial Officer
64-9-213-5179
Mobile 021-441-311

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