

21 August 2012

Full year results announcement and presentation

Please find attached the following documents relating to ERM Power's results for the 12 months ended 30 June 2012:

1. ASX announcement
2. Presentation

A handwritten signature in black ink, appearing to be "P. Jans".

Peter Jans
Group General Counsel & Company Secretary
ERM Power Limited

21 August 2012

ERM Power reports strong increase in full year profit

Energy company ERM Power today reported a statutory net profit after tax (NPAT)¹ of \$34.2 million for the financial year to 30 June 2012 (FY2012), which represented a 111% increase on the \$16.2 million in the previous financial year.

Key factors in the result included strong growth in electricity sales, a gain from the acquisition of a controlling interest in the Oakey power station (Oakey) in Queensland, and the consolidation of Oakey for the first time from 1 July 2011. Unrealised gains in the fair value of financial instruments were lower than in the previous period.

The result reflected a 71% increase in revenue to \$937.9 million and an 84% increase in EBITDAIF² to \$85.4 million.

Underlying NPAT³, which removes the impact of unrealised gains in the fair value of financial instruments and reflects the ongoing performance of the Company, was \$30.3 million, which represented a 381% increase on the \$6.3 million in the previous financial year.

A fully franked final dividend of 4.5 cents will be paid on 16 October 2012 to shareholders on record at 17 September 2012. The shares will trade ex-dividend from 11 September 2012.

Financial Highlights	FY2012 Actual	FY2011 Actual	Change
Revenue (\$m)	937.9	549.8	+71%
EBITDAIF (\$m)	85.4	46.4	+84%
Statutory NPAT (\$m)	34.2	16.2	+111%
Underlying NPAT (\$m)	30.3	6.3	+381%
Interim dividend (cents)	4.0	nil	-
Final dividend (cents)	4.5	3.5	+29%
Underlying EPS (cents)	18.4	4.5	+306%

Managing Director and CEO Philip St Baker said ERM Power performed strongly in financial and operational terms to exceed prospectus forecasts for revenue, EBITDAIF, underlying NPAT and dividend despite challenging conditions including floods and industrial action which affected customer consumption and weaker electricity demand forecasts which affected generation development.

“A major driver of the result was our electricity sales business which was recently rated the number one business energy retailer for service and value⁴ and is forecast to become the fourth largest seller⁵ of electricity in the National Electricity Market this year,” Mr St Baker said.

“We expect high growth rates to continue for many years as we consolidate our position in the large commercial and industrial customer segment across Australia and then go deeper into the market by expanding into the Small to Medium Enterprise (SME) customer segment in 2013.

“The other major driver of the result is our generation business where our assets performed above expectation and where we acquired a controlling interest in the Oakey power station at a significant discount. We expect our generation business to continue to perform strongly over the long term by delivering value from existing assets and developing and/or acquiring low cost high value long term assets in the future, as we have in the past.

“We are well positioned for development opportunities in the medium term that we anticipate in Queensland and Western Australia driven by electricity demand from LNG and mining projects. As a rapidly growing vertically integrated energy company we are also well positioned to play a role in government electricity generation asset sales in NSW and Queensland or other assets sales if they arise.

“With our 83.3% interest in Oakey forecast to be debt free in 2015, we are well positioned to fund opportunities as they arise.”

Other highlights of the year included the signing of a gas supply agreement with Alcoa to be supplied from our recent gas and condensate discoveries in Western Australia, and the signing of a \$150 million financing agreement with Macquarie Bank to support sales growth.

Based on operational performance to date and the prevailing market conditions at this time and our expansion investment plans, ERM Power provides guidance for FY2013, forecasting EBITDAIF of between \$80 million and \$85 million and underlying NPAT of between \$22 million and \$26 million.

¹ Statutory NPAT attributable to equity holders of ERM Power Limited. A full reconciliation between Statutory NPAT and Underlying NPAT is provided in the Management Discussion and Analysis (MD&A). The Board believes that EBITDAIF and Underlying NPAT provide the most meaningful indicators of performance.

² EBITDAIF - earnings before interest, tax, depreciation, amortisation, impairment and net fair value gains/losses on financial instruments designated at fair value through profit and loss and gains/losses on onerous contracts, including profit from associates. It includes a \$19.1 million non-recurring gain on the acquisition of an additional 50% interest in Oakey power station at a discount.

³ Underlying NPAT is Statutory NPAT attributable to equity holders of the Company but excludes the impact of unrealised changes in fair values of financial instruments and onerous contracts, which best reflects the ongoing performance of the business.

⁴ Utility Market Intelligence (UMI) survey of retail electricity industry by independent research company NTF Group in 2011 (16th year of Survey). Research based on survey of 597 business electricity customers ~ 100 from each of six major participating electricity retailers.

⁵ Based on ERM Power's forecast league table for volume of electricity sold in the National Electricity Market for FY2013. The analysis draws on 2011 SRES scheme liability data, ERM Power signed contracts and broad assumptions about the market and participants. This is not an independently verified forecast.

For further information

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About ERM Power

ERM Power (ASX code: EPW) is an energy company which operates electricity sales, generation and gas exploration and procurement businesses in Australia. Founded in 1980 as a specialist energy advisory firm, the company grew through deregulation and privatisation to become one of Australia's largest private energy sector companies before listing on the Australian Securities Exchange (ASX) on 10 December 2010. ERM Power sells electricity to commercial and industrial customers across Australia, owns 442 megawatts (equity interests) and operates 982 MW of low emission gas-fired generation assets, and has a successful gas exploration business with interests in more than 10,000 kms² of acreage in Western Australia.

www.ermpower.com.au

Full Year Results

12 Months ending 30 June 2012

21 August 2012



Important Notice - Disclaimer.



This presentation contains certain forward-looking statements with respect to the financial condition, results of operations and business of ERM Power Limited (ERM Power) and certain plans and objectives of the management of ERM Power.

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This document may contain certain non-IFRS financial measures and other defined financial terms. Investors and readers should take note of page 31 which contains a summary of these measures and a definition of the financial terms used throughout this document. The directors believe the presentation of these non-IFRS financial measures is useful for the users of this document as they reflect the underlying financial performance of the business.

All reference to \$ is a reference to Australian dollars unless otherwise stated. Individual items and totals are rounded to the nearest appropriate number or decimal. Some totals may not add down the page due to rounding of individual components.

Safety and community.



- Another safe operating year with no permanent or lost time injuries, no reportable environmental incidents, an active engagement with local communities and a focus on education, sport and the arts



Music Festivals



Scholarships



Ballet Performances

Significant achievements.



Customer



Oakey

- 73% growth in electricity sales
- Cash receipts passed the \$1 billion mark
- Exceeded prospectus EBITDAIF, underlying NPAT and dividend forecasts
- Rated no.1¹ for customer satisfaction in electricity
- Forecast to be no.4² for National Electricity Market sales
- Acquired controlling interest in Oakey power station
- Generation out performed expectations
- GSA with Alcoa and a gas farm-in by Origin Energy
- \$150m financing agreement with Macquarie Bank

¹Utility Market Intelligence (UMI) survey of retail electricity industry by independent research company NTF Group in 2011 (16th year of Survey) .Research based on survey of 597 business electricity customers ~ 100 from each of six major participating electricity retailers

²This is ERM Power's forecast league table for volume of electricity sold in the National Electricity Market for FY2013. The analysis draws on 2011 SRES scheme liability data, ERM Power signed contracts and broad assumptions about the market and participants. This is not an independently verified forecast.

FY2012 results.



	FY2012 Actual	FY2011 Actual	FY2012 Prospectus	% change on Prospectus
Revenue (\$m)	937.9	549.8	690.9	+36%
EBITDAIF ¹ (\$m)	85.4	46.4	62.4	+37%
Statutory NPAT ² (\$m)	34.2	16.2	39.0	-12%
Underlying NPAT ² (\$m)	30.3	6.3	25.2	+20%
Interim Dividend (cps)	4.0	Nil	3.8	+5%
Final Dividend (cps)	4.5	3.5	3.9	+15%
Underlying EPS (cps)	18.4	4.5	15.7	+17%

- Exceeded prospectus forecasts for revenue, EBITDAIF, underlying NPAT, and dividend despite challenging conditions

¹ EBITDAIF - earnings before interest, tax, depreciation, amortisation, impairment and net fair value gains/losses on financial instruments designated at fair value through profit and loss and gains/losses on onerous contracts, including profit from associates.

² Statutory NPAT attributable to equity holders of ERM Power Limited. Underlying NPAT is Statutory NPAT but excludes the impact of unrealised changes in fair values of financial instruments and onerous contracts, which best reflects the ongoing performance of the business. A full reconciliation between Statutory NPAT and Underlying NPAT is provided in the Management Discussion and Analysis. The Board believes EBITDAIF and Underlying NPAT provide the most meaningful indicators of performance.

Electricity sales.



	FY2012 Actual	FY2011 Actual	FY2012 Prospectus	% change on Prospectus
Revenue (\$m)	842.4	486.7	646.5	+30%
EBITDAIF ¹ (\$m)	30.9	22.5	31.0	0%

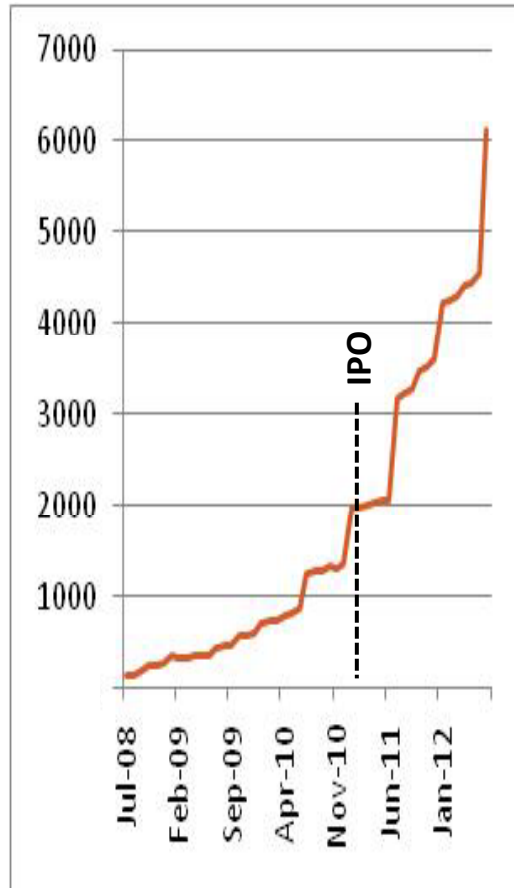
- Rapid growth in sales, up 73%
- Risk tightly managed with track record
- Operational excellence with 99.94% billing accuracy
- Independently ranked No.1 for customer service and value
- First ever marketing campaign has just commenced
- Now expanding into the Small to Medium Enterprise (SME) market

¹ EBITDAIF - earnings before interest, tax, depreciation, amortisation, impairment and net fair value gains/losses on financial instruments designated at fair value through profit and loss and gains/losses on onerous contracts, including profit from associates.

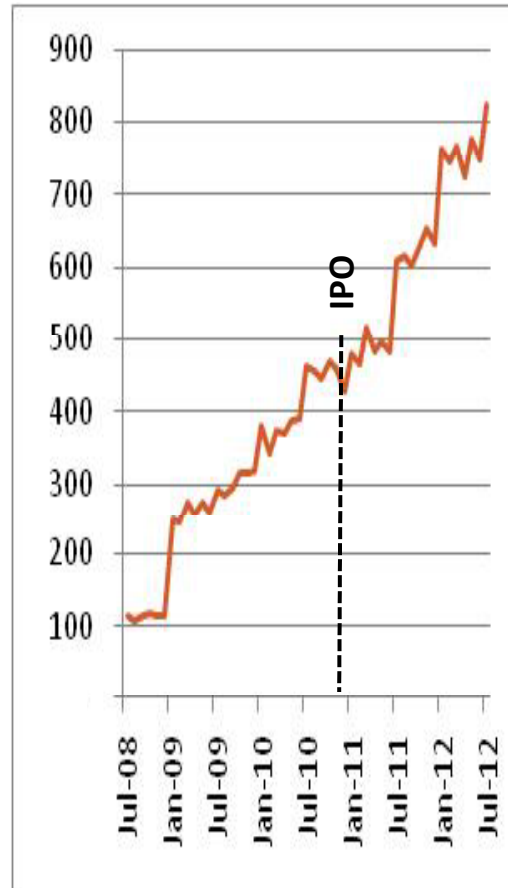
Rapid growth in sales.



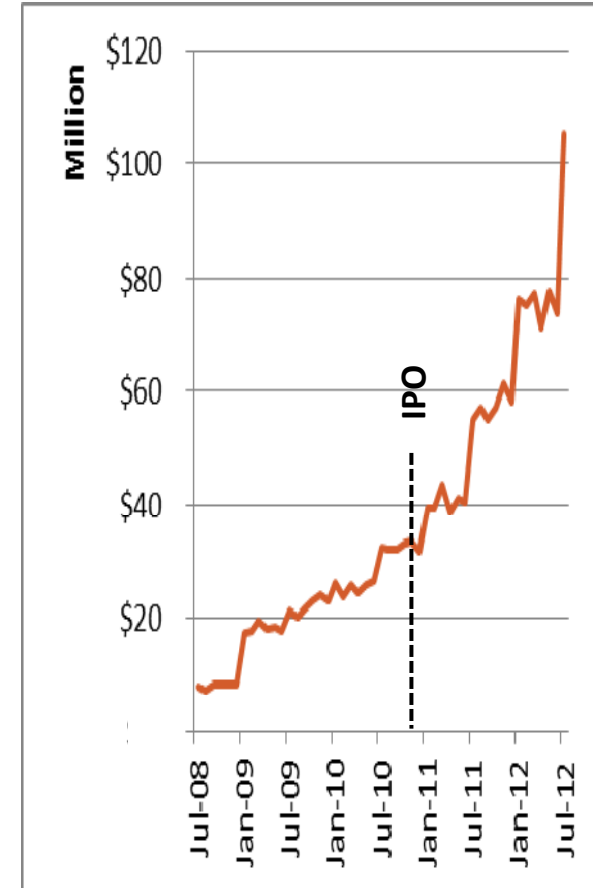
Customers (Meters)



Monthly Load (GWh)



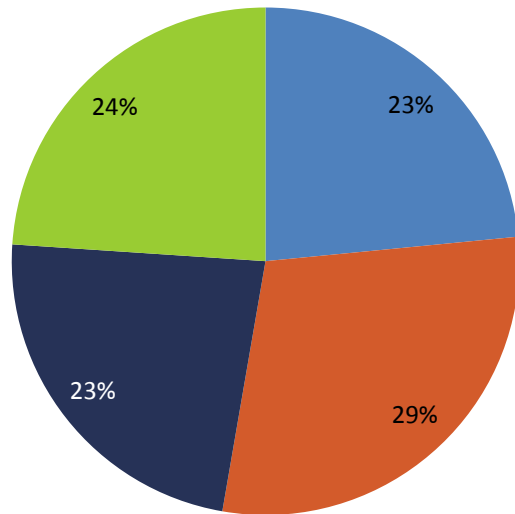
Monthly Billing (excluding GST)



Diversified customer base.

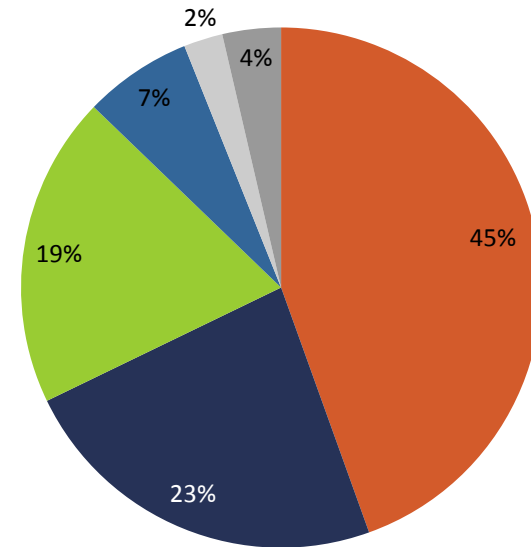


Sales by Industry Type (July 2012)



- Gov't Education Healthcare
- Heavy Industry and Manufacturing
- Retail Property, et al
- Mining and Major Infrastructure

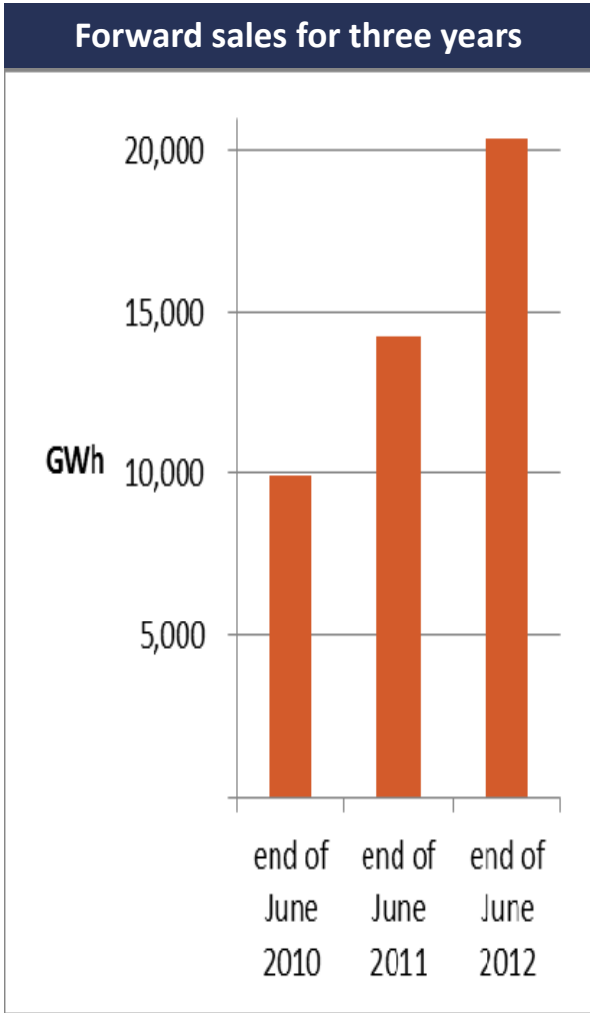
Sales by Region (July 2012)



- QLD
- NSW
- VIC
- TAS
- SA
- WA

- NSW & Vic now 42%, up from 10% in two years

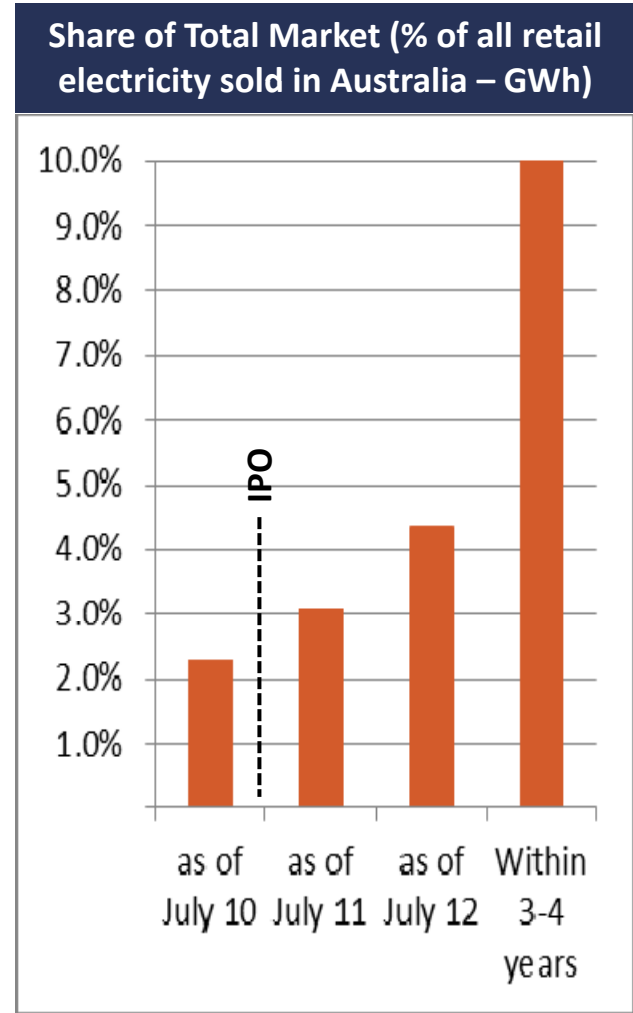
Rapid growth to continue.



League table (Electricity sales in NEM)

- 1st Origin Energy
- 2^{nd/3rd} AGL Energy or TRU Energy
- 4th **ERM Power**

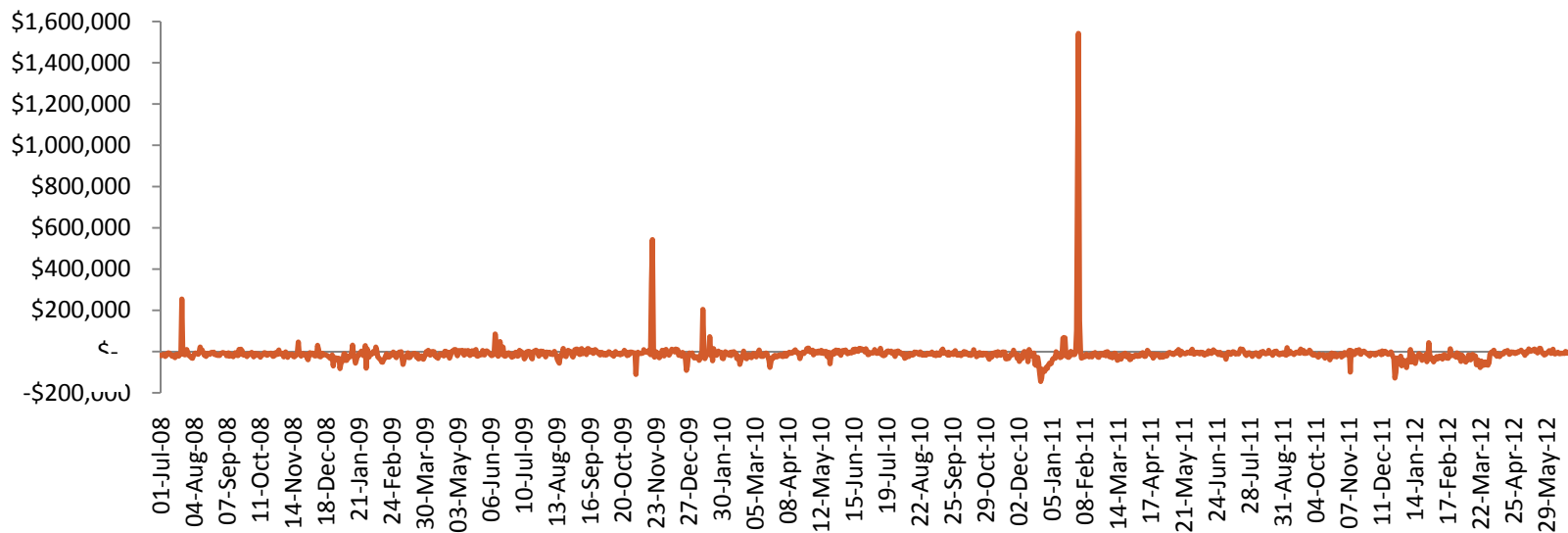
Note: ERM Power's forecast league table for volume of electricity sold in the National Electricity Market (NEM) for FY2013. The analysis draws on 2011 SRES scheme liability data, ERM Power signed contracts and broad assumptions about the market and participants. This is not an independently verified forecast.



Risk tightly managed.



- Daily spot exposure tightly managed with no major losses incurred since this business started operating in 2008



Daily gain/loss from spot exposure

- Worst daily spot exposure loss in last four years was approximately \$150k on Christmas day in 2010 when we had excess product as was expected

Operational excellence.



- Our custom-built and IP-protected electricity retailing systems, processes and practices deliver exceptional performance levels
 - **Billing accuracy of 99.94%, and**
 - **Billing collection rate 99.96%**
- These performance levels have been maintained since we commenced billing customers in January 2008 despite rapid growth rates
- Our commitment to operational excellence continues

First marketing campaign.



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THE AGE
NEWSPAPER OF THE YEAR

THE AUSTRALIAN LOGIN

BUSINESS
WITH THE WALL STREET JOURNAL

**WE'RE HERE TO
PROVE WHY WE'RE
NUMBER ONE
FOR SERVICE
AND VALUE.**



**ERM
BUSINESS
ENERGY**

THE ENERGY YOUR BUSINESS NEEDS

THE AUSTRALIAN

FINANCIAL REVIEW

Expansion plans.



- ERM Power entered the large Commercial and Industrial (C&I) customer segment of the market in 2008, and has organically grown >10% market share and is now independently ranked No.1 for customer satisfaction
- Our market share in the large C&I customer segment continues to grow rapidly as our national expansion continues
- ERM Power is now preparing to enter the SME customer segment of the market in 2013

Australian Electricity Market			
Total	Residential	SME	C&I
100%	~30% of market	~30% of market	~40% of market
~210 TWh	~63 TWh	~63 TWh	~84 TWh
ERM Power	Not active	Will commence sales in 2013	Active since 2008 FY2013F > 10 TWh

Note: Numbers are indicative only and adapted by ERM Power from AEMO 2011 published data.

Expansion plans.



- This year we will invest > \$5m to enter the SME market to deliver:
 - Significant increase in brand recognition & customer awareness
 - Increased growth rate for smaller C&I and in SME market
 - Improved margins and a trajectory for further margin improvement
- We expect the SME business to:
 - Break even in its second financial year, and
 - Generate >\$30 million EBITDAIF p.a. in three to five years
- We will service this larger customer base:
 - With our custom-built in-house IT service platform, and
 - Our own staff
- We will ensure we retain our No.1¹ position for customer satisfaction with business energy customers

¹ Utility Market Intelligence (UMI) survey of retail electricity industry by independent research company NTF Group in 2011 (16th year of Survey) .Research based on survey of 597 business electricity customers ~ 100 from each of six major participating electricity retailers

Generation.



	FY2012 Actual	FY2011 Actual	FY2012 Prospectus	% change on Prospectus
Revenue (\$m)	90.1	55.8	48.6	+85%
EBITDAIF ¹ (\$m)	63.4	29.0	39.4	+61%

- Safe operating year with no permanent or lost time injuries and no reportable environmental incidents
- Existing generation assets performed above expectation
- Acquired a controlling interest in the Oakey power station at a significant discount
- Positioned for development opportunities in Qld and WA
- Positioned for acquisition opportunities with funding capacity

¹ EBITDAIF - earnings before interest, tax, depreciation, amortisation, impairment and net fair value gains/losses on financial instruments designated at fair value through profit and loss and gains/losses on onerous contracts, including profit from associates.

Results above for Generation include all generation related assets and activities – development, acquisition, divestment, ownership and operation of generation related assets

Generation.



Oakey (332MW¹)

Location	150 km west of Brisbane, Qld
Type	Low-emission gas fired peaker (<5% expected ACF)
Ownership	83.33% (ERM Power is the operator)

Neerabup (330MW¹)

Location	30 km north of Perth, WA
Type	Low-emission gas fired peaker (<7% expected ACF)
Ownership	50% (ERM Power is the operator)

¹ Based on current or expected AEMO Winter Aggregate Scheduled and Semi Scheduled Generation Capacity, or generation capacity of registered facilities published by IMO (for WA)

New development strategy.



Our West Coast Development Strategy

1. Continue with ERM Power's traditional development model where we develop large size generation projects (150-300 MW) against long term contracts and may partner with others
2. Currently expanding scope to include small/medium size generation projects (10-50 MW) against long term contracts



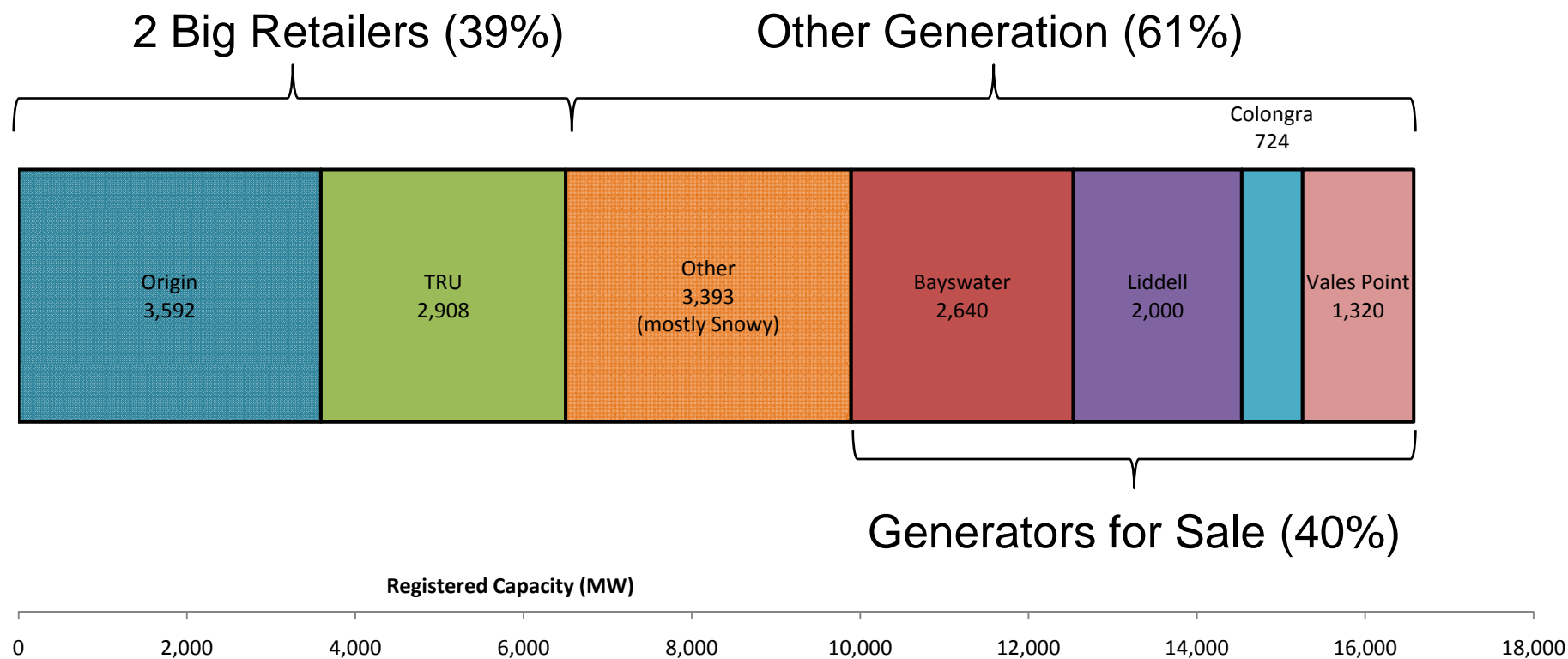
Demand Response Strategy

1. Continue to develop virtual generation capacity by working with our electricity customers

Our East Coast Development Strategy

1. Change to a support model for our rapidly growing electricity sales business
2. Position ERM Power with physical capability to build new base, peak and renewable products when more economic to build rather than to buy
3. Ready ERM Power for well priced acquisition opportunities

NSW privatisation.



Concentration concerns will favour new entrant generators which will need substantial retail load to manage the wholesale position – ERM Power is well positioned to play a role

Gas strategy.



We identify and develop gas resources to create:

- Supply options for our own generation developments
- Supply options for wholesale gas trading
- Supply options for retail gas sales (under consideration)
- A hedge against rising gas prices
- Gas-Electricity arbitrage opportunities

We are preparing the business for possible listing on the ASX within two years

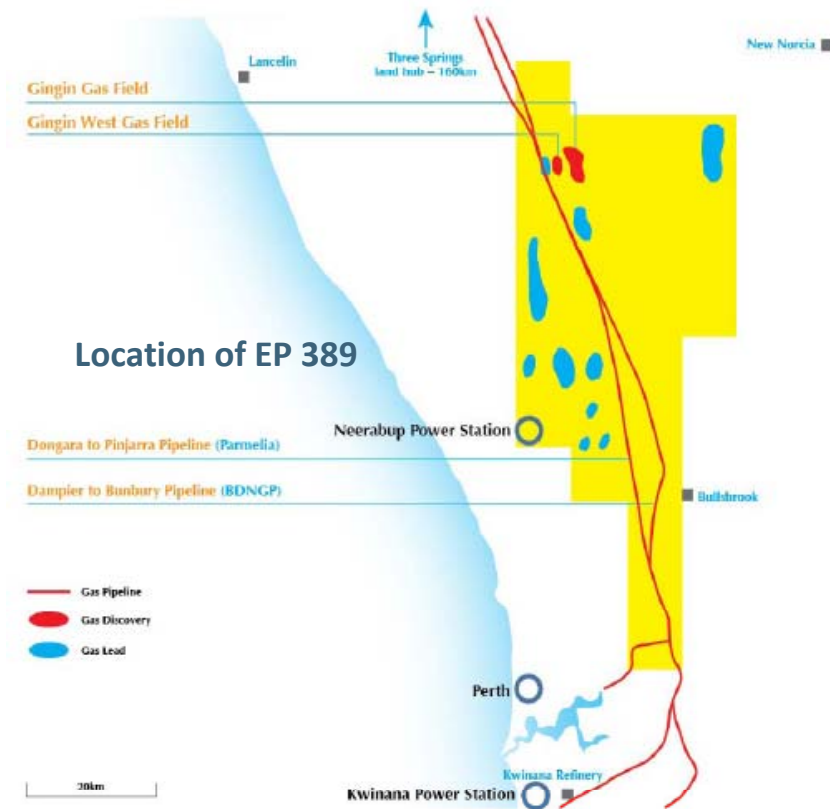


Gingin West flow testing

West coast gas.



ERM Power moved to get a position in WA ahead of rising gas prices



EP 389 - Gingin West and Red Gully (ERM 21.25%)

- Two successful exploration wells
- Close to gas pipelines, power stations & refineries and forecast new demand
- Estimated 30 billion cubic feet* of recoverable gas plus 2 million barrels* of recoverable condensate
- Gas Supply Agreement with Alcoa
- Condensate Agreement with BP being negotiated
- Product deliveries will commence FY2013

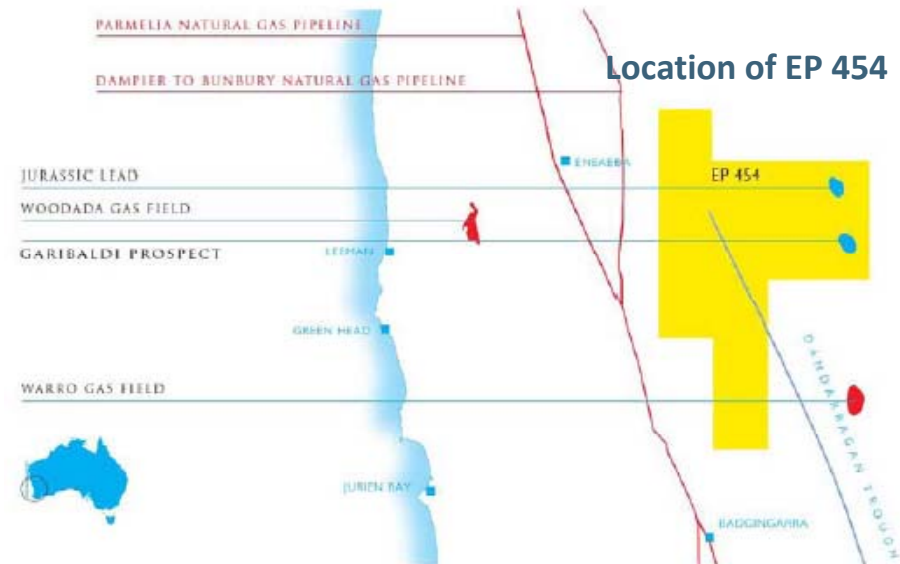
* Reserves estimated by the operator, Empire Oil and Gas (ASX:EGO) as per their 2011 Annual Report

West coast gas.



EP 454 - Garibaldi prospect (ERM 50%)

- Large gas prospect
- 2D seismic processed in April 2011
- Identifying drilling targets
- Estimated 40 billion cubic feet* potential recoverable gas
- Other prospects in EP454



Farm-in increase in EP432 (ERM now 47.5% in Black Arrow)

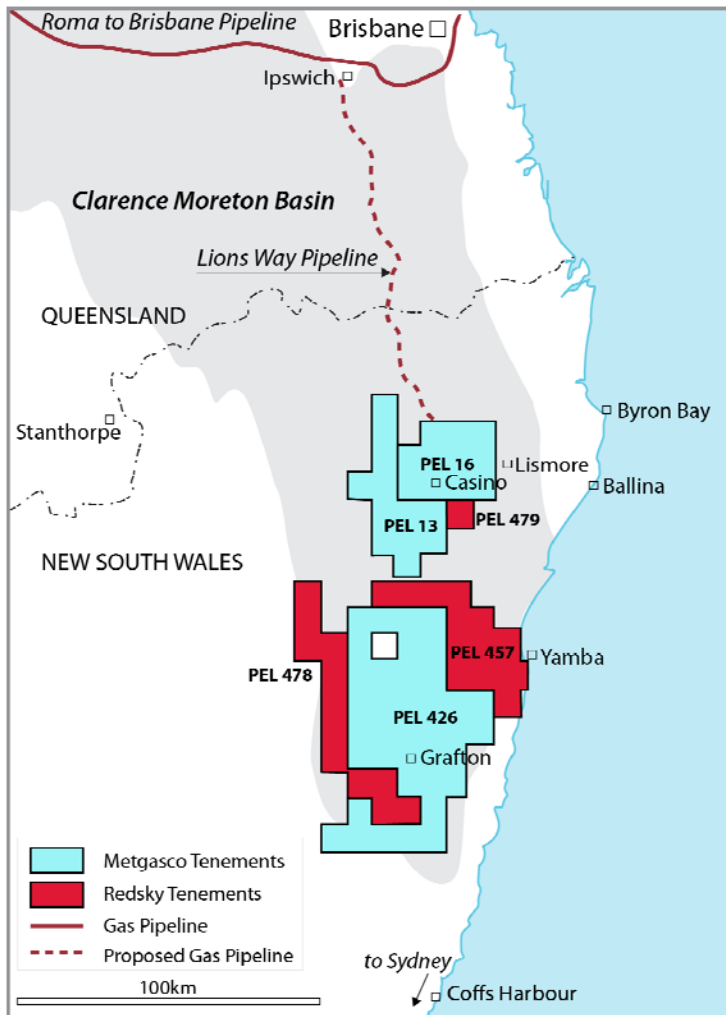
- Drilling Black Arrow-1
- Estimated 10 million barrels* potential recoverable oil

EP 426 - Farm-in by Origin

- Origin to farm into EP 426 by funding seismic program
- ERM Gas interest after farm-in 13.89%
- Significant gas prospect

* Reserves estimated by the operator, Empire Oil and Gas (ASX:EGO) as per Annual Report 2011 (EP454) and ASX Announcement -10 April 2012 (EP432)

East coast gas.



*Sourced from Metgasco and Redsky Energy websites

- **Focus on the under explored Clarence Moreton Basin (CMB)**
- ERM Power has taken an ~8% stake in METGASCO which has one of the largest uncontracted gas reserve positions on the east coast, all in the CMB
- Announced Farm-in to Redsky & Clarence Moreton Resources tenements in Northern NSW
(still subject to satisfaction of CPs and completion)

Reserves*	1P	2P	3P
Metgasco	3	428	2,542
Redsky/Clarence Moreton	0	17	380

* Reserves as published on websites of Metgasco and Redsky Energy (as at 14 August 2012)

Group strategy.



Our aspiration is to be the preferred energy supplier to business customers in Australia, hence our focus on “Business Energy”

To achieve this we seek to be competitive in sourcing product, highly efficient in our operations and innovative and market leading in our service offering

To protect our business model we continue to grow our vertical integration capability



FY2013 outlook.



\$ million	FY2012 Actual	FY2013 Forecast
EBITDAIF ¹	85.4	80 - 85
Underlying NPAT ²	30.3	22 - 26

The FY2013 forecast assumes no contribution from generation development projects or discounts on acquisition of generation assets (\$19.1m in FY2012) and includes a contribution from a contractual dispute and over \$6m operating expenditure in new growth areas with returns in subsequent years:

- Establishment and commencement of electricity sales to SME market
- First ever marketing campaign for our electricity sales business
- Establishment of operating capability for our gas exploration business, and
- Feasibility assessment and preliminary work for entering gas retailing

¹ Earnings before interest, tax, depreciation, amortisation, impairment and net fair value gains/losses on financial instruments designated at fair value through profit and loss and gains/losses on onerous contracts, including profit of associate.

² Underlying NPAT is Statutory NPAT but excludes the impact of unrealised changes in fair values of financial instruments and onerous contracts, which best reflects the ongoing performance of the business

Reconciliation between Statutory NPAT and Underlying NPAT.



\$ million	FY2012 Actual	FY2011 Actual	Prospectus Forecast
EBITDAIF (inc. profit of associate)¹	85.4	46.4	62.4
Other Statutory Items			
Depreciation and amortisation	(17.9)	(10.0)	(8.8)
Finance expense	(29.5)	(29.8)	(18.4)
Tax	(6.9)	(4.6)	(16.0)
Net fair value gain on financial instruments	5.5	14.2	19.8
Statutory Net Profit after tax (NPAT)	36.6	16.2	39.0
Reconciling items			
Fair value gain on financial instruments	(5.5)	(14.2)	(19.8)
Tax effect on reconciling items	1.6	4.3	6.0
Non-controlling interest	(2.4)	-	-
Total reconciling items	(6.3)	(9.9)	(13.8)
Underlying Net Profit after tax (NPAT)²	30.3	6.3	25.2

¹ Earnings before interest, tax, depreciation, amortisation, impairment and net fair value gains/losses on financial instruments designated at fair value through profit and loss and gains/losses on onerous contracts, including profit of associate. Also includes \$19.1 million non-recurring gain on the acquisition of an additional 50% interest in Oakey power station at a discount

² Underlying NPAT is Statutory NPAT but excludes the impact of unrealised changes in fair values of financial instruments and onerous contracts, which best reflects the ongoing performance of the business of the business

Summary income statement.



Revenue, EBITDAIF and underlying NPAT forecasts achieved

\$ million	12 months to 30 June 2012	12 months to 30 June 2011	FY2012 Prospectus Forecast	Change on Prospectus
Revenue	937.9	549.8	690.9	36%
EBITDAIF¹	85.4	46.4	62.4	37%
Depreciation and amortisation	(17.9)	(10.0)	(8.8)	103%
Net fair value gain on financial instruments ²	5.5	14.2	19.8	-72%
Net finance cost	(29.5)	(29.8)	(18.4)	60%
Profit before tax	43.5	20.8	55.0	-21%
Taxation expense	(6.9)	(4.6)	(16.0)	-57%
Statutory net profit after tax (NPAT) ³	36.6	16.2	39.0	-6%
Non-controlling interest	(2.4)	-	-	-
Add back: Net fair value gain on financial instruments net of tax ²	(3.9)	(9.9)	(13.8)	-73%
Underlying NPAT⁴	30.3	6.3	25.2	20%
Underlying EPS ⁵	18.4	4.5	15.7	17%
Dividend per share (cents)	8.5	3.5	7.7	10%

¹ Earnings before interest, tax, depreciation, amortisation, impairment and net fair value gains/losses on financial instruments designated at fair value through profit and loss and gains/losses on onerous contracts, including profit of associate

² ERM Sales services the electricity requirements of large customers through fixed priced forward electricity sales contracts. Electricity is provided to customers from a spot market regulated by governments and priced at prevailing spot market prices. To manage exposure to spot market prices, ERM Sales enters into electricity derivative transactions. The objective is to create an economic hedge for the fixed price forward electricity sales contracts. These positions are marked to market and shown as an unrealised gain or loss during a reporting period. These realised and unrealised gains/losses are excluded from Underlying NPAT

³ Statutory NPAT includes the impact of an increase/decrease in the fair value of existing financial instruments

⁴ Underlying NPAT is Statutory NPAT but excludes the impact of unrealised changes in fair values of financial instruments and onerous contracts, which best reflects the ongoing performance of the business

⁵ Based on Underling NPAT respectively and 165.410m weighted average number of shares on issue

Cash flow summary.

Cash and debt fund acquisition of controlling interest in Oakey



\$ million	12 months to 30 June 2012	12 months to 30 June 2011
Cash flows from operating activities		
Receipts from customers (inclusive of GST)	1,000.4	644.9
Payments to suppliers and employees (inc. GST)	(954.9)	(536.4)
Dividends received	-	0.6
Income tax paid	(5.8)	-
Net cash flows from operating activities	39.7	109.1
Cash flows from investing activities		
Capital Expenditure (exploration & evaluation and plant & equipment)	(10.4)	(18.0)
Cash loss on disposal of joint interests	-	(1.3)
Purchase of shares in Metgasco Limited	(9.6)	-
Net cash (paid)/acquired from business combinations	(51.1)	0.4
Net cash flows used in investing activities	(71.1)	(18.9)
Cash flows from financing activities		
Net movement in borrowings	47.0	(32.1)
Dividends paid	(8.4)	-
Initial public offering share issue	-	93.8
Transactions with non-controlling interests	(31.0)	-
Net finance costs	(24.2)	(28.3)
Cash received on exercise of share options	1.3	0.2
Net cash flows (used in) / from financing activities	(15.3)	33.6
Net change in cash	(46.7)	123.8



- Growth in in electricity sales business



- Acquisition of 50% interest in Oakey power station



- increase in beneficial interest in Oakey from 62.5% to 83.33%

Summary statement of financial position.

About \$140 million of cash and cash equivalents



\$ million	30 June 2012	30 June 2011
Current cash and cash equivalents	136.4	184.3
Current trade and other receivables	86.9	45.2
Inventories	45.6	3.1
Other current assets and derivative financial instruments	24.7	5.0
Total current assets	293.6	237.6
Non-current cash and cash equivalents	3.2	2.1
Property, plant and equipment and capitalised exploration	459.8	217.2
Other non-current and deferred tax assets	25.4	33.7
Total non-current assets	488.4	253.0
Total assets	782.0	490.6
Current trade and other payables	132.0	63.0
Current borrowings	49.4	-
Current borrowings - limited recourse	22.6	4.7
Current liability derivative financial instruments	13.3	27.1
Other current liabilities	2.7	1.1
Total current liabilities	220.0	95.9
Non-current borrowings	-	4.4
Non-current borrowings – limited recourse	236.5	202.6
Non-current liability derivative financial instruments	75.3	30.0
Other non-current and deferred tax liabilities	68.5	-
Total non-current liabilities	380.3	237.0
Total liabilities	600.3	332.9
Net assets	181.7	157.7

- \$139.6 million cash and cash equivalents on hand as at 30 June 2012 (*current and non-current*)
 - Free Cash – \$41.4m;
 - Restricted Cash – \$98.2m
- \$240 million increase in power station assets (Oakey acquisition)
- Debt of \$308.5 million, of which \$259.1 million recourse only to projects
- 15% increase in net assets
- Market value of sales contracts (approximately \$135.5¹ million) not shown in balance sheet
- ¹ This figure has not been subject to audit or review

Financing facilities.

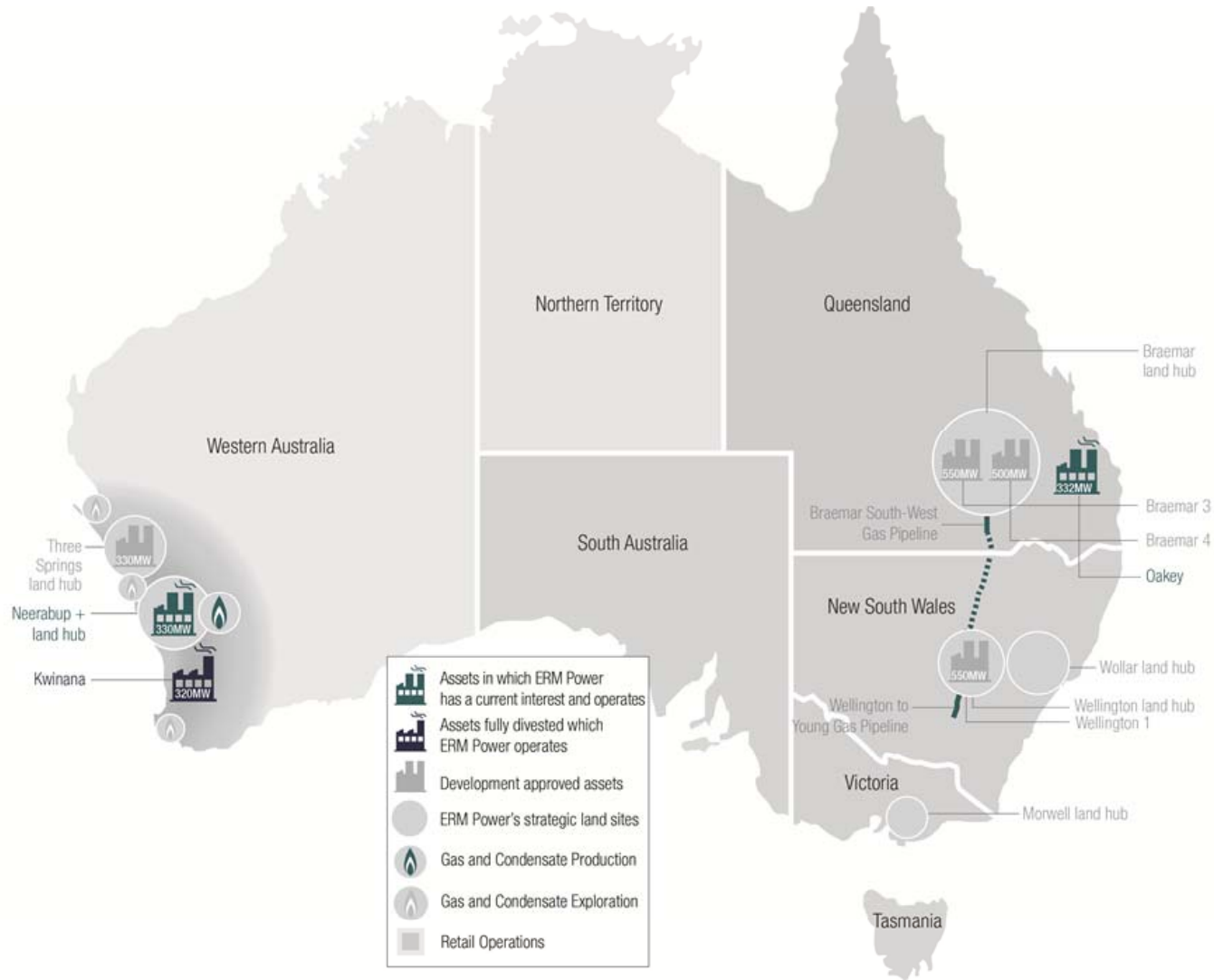


Low corporate debt

At 30 June 2012: \$49 million of corporate debt and \$259 million of debt with recourse only to projects

- Corporate debt: \$34 million drawn from a \$60 million receivables financing facility and \$16 million associated with acquisition of increased effective interest in Oakey power station
- Project debt: related to Oakey and Neerabup power stations

Appendix.



Non-IFRS Financial Measures.



Non-IFRS Financial Measures

The directors believe the presentation of certain non-IFRS financial measures is useful for the users of this document as they reflect the underlying financial performance of the business.

The non-IFRS financial measures include but are not limited to:

- EBITDAIF - Earnings before interest, tax, depreciation, amortisation, impairment and net fair value gains / losses on financial instruments designated at fair value through profit and loss and gains/losses on onerous contracts, including profit from associates
- Underlying Profit - Statutory net profit after tax attributable to equity holders of the Company after excluding the after tax effect of unrealised marked to market changes in the fair value of financial instruments and impairment

A reconciliation of Underlying Profit is detailed on page 25 of this document. The above non-IFRS financial measures have not been subject to review or audit. However, the Company's auditor, PricewaterhouseCoopers, have separately undertaken a set of procedures to agree the non-IFRS financial measures disclosed to the books and records of the consolidated entity

Other defined terms

Statutory NPAT and Underlying NPAT

Statutory NPAT is Statutory NPAT attributable to equity holders of ERM Power Limited unless otherwise stated. Underlying NPAT is Statutory NPAT but excludes the impact of unrealised changes in fair values of financial instruments, onerous contracts, and impairment

More Information

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