



15 June 2012

UBS conference presentation

ERM Power Managing Director and CEO Philip St Baker will be speaking at UBS' Tenth Annual Australian Resources, Energy & Utilities Conference today. A copy of his presentation follows.

A handwritten signature in black ink, appearing to be 'P. Jans', written in a cursive style.

Peter Jans
Group General Counsel & Company Secretary
ERM Power Limited

ERM Power Limited

Becoming the 4th largest electricity sales company in National Electricity Market

UBS Australian Resources, Energy & Utilities
Conference

Sydney

Friday 15 June 2012

Philip St Baker
Managing Director and CEO



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.

Such forward-looking statements involve both known and unknown risks, uncertainties, assumptions and other important factors which are beyond the control of ERM Power and could cause the actual outcomes to be materially different from the events or results expressed or implied by such statements.

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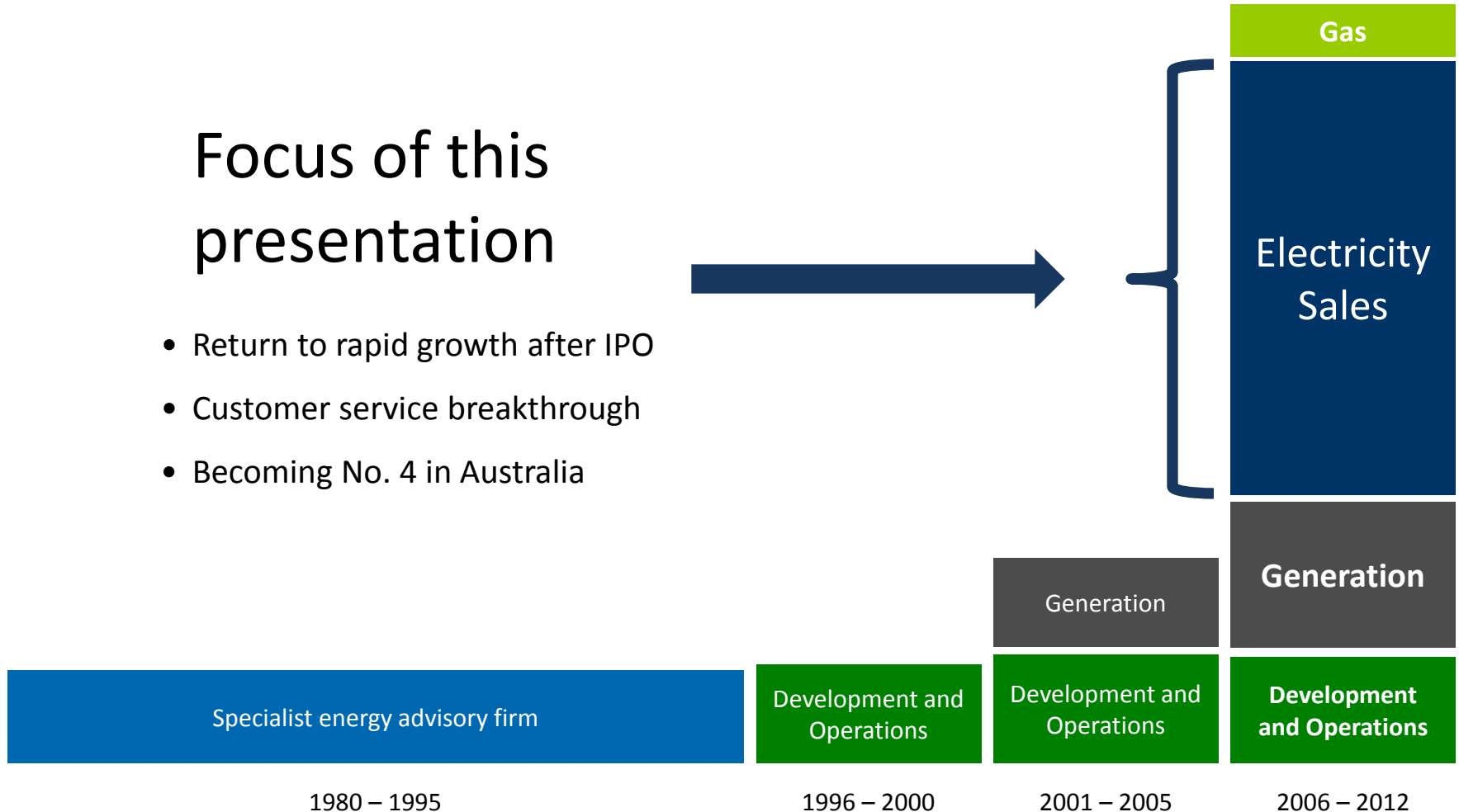
Before making an investment decision, investors should consider their own needs and situation and, if necessary, seek professional advice.

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One of Australia's fastest-growing energy companies

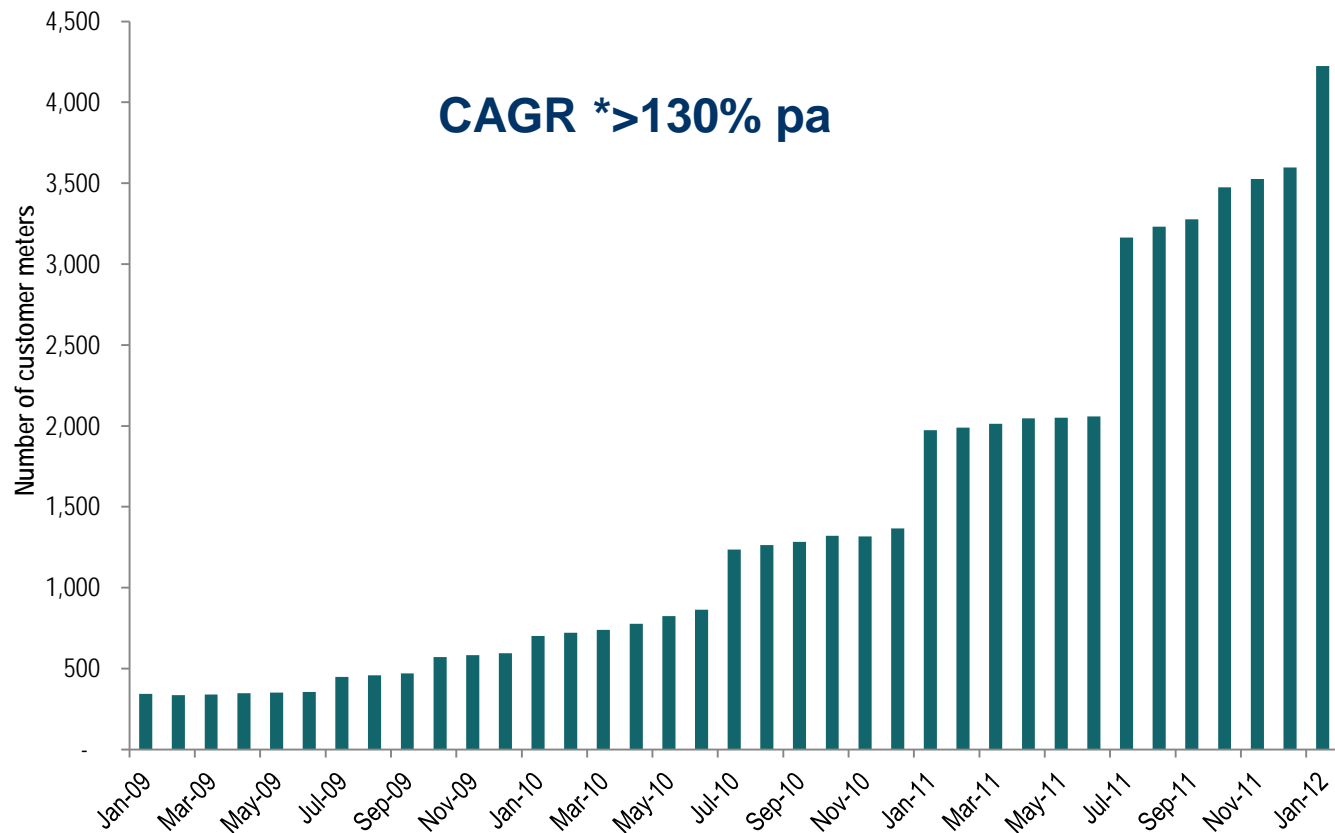
Focus of this presentation

- Return to rapid growth after IPO
- Customer service breakthrough
- Becoming No. 4 in Australia



Rapid growth in customers

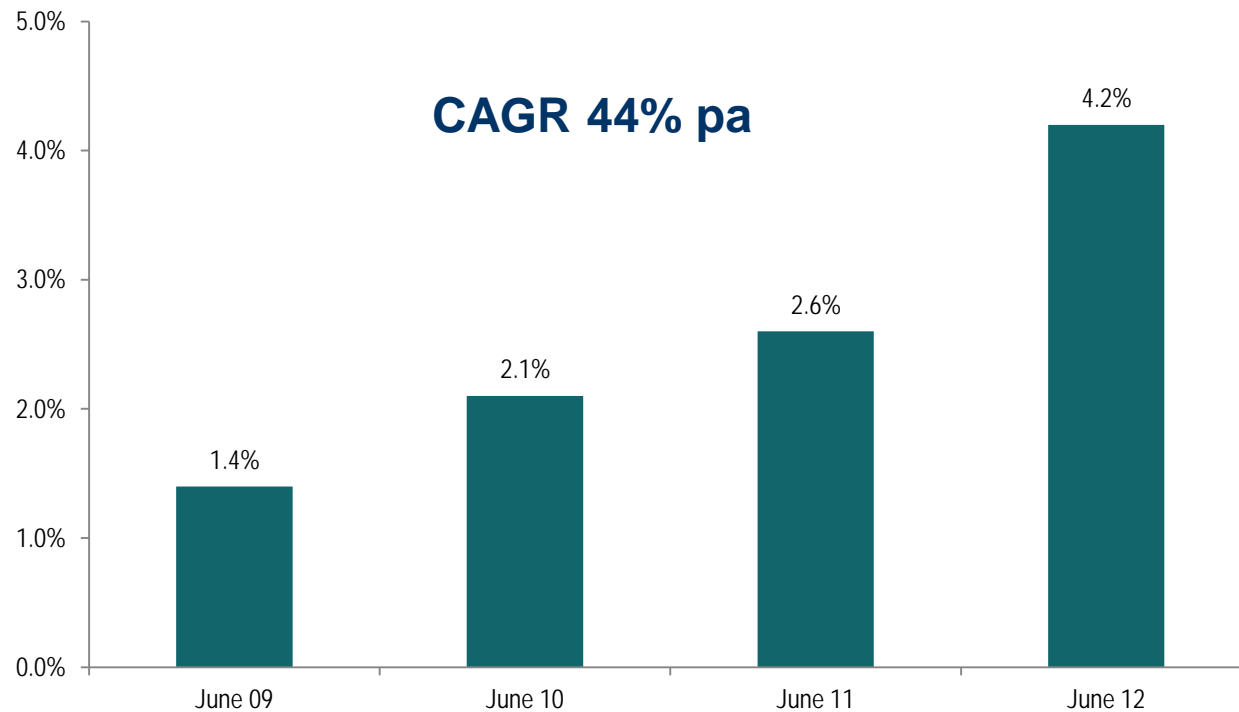
Customer Meters



* CAGR = Compound Annual Growth Rate

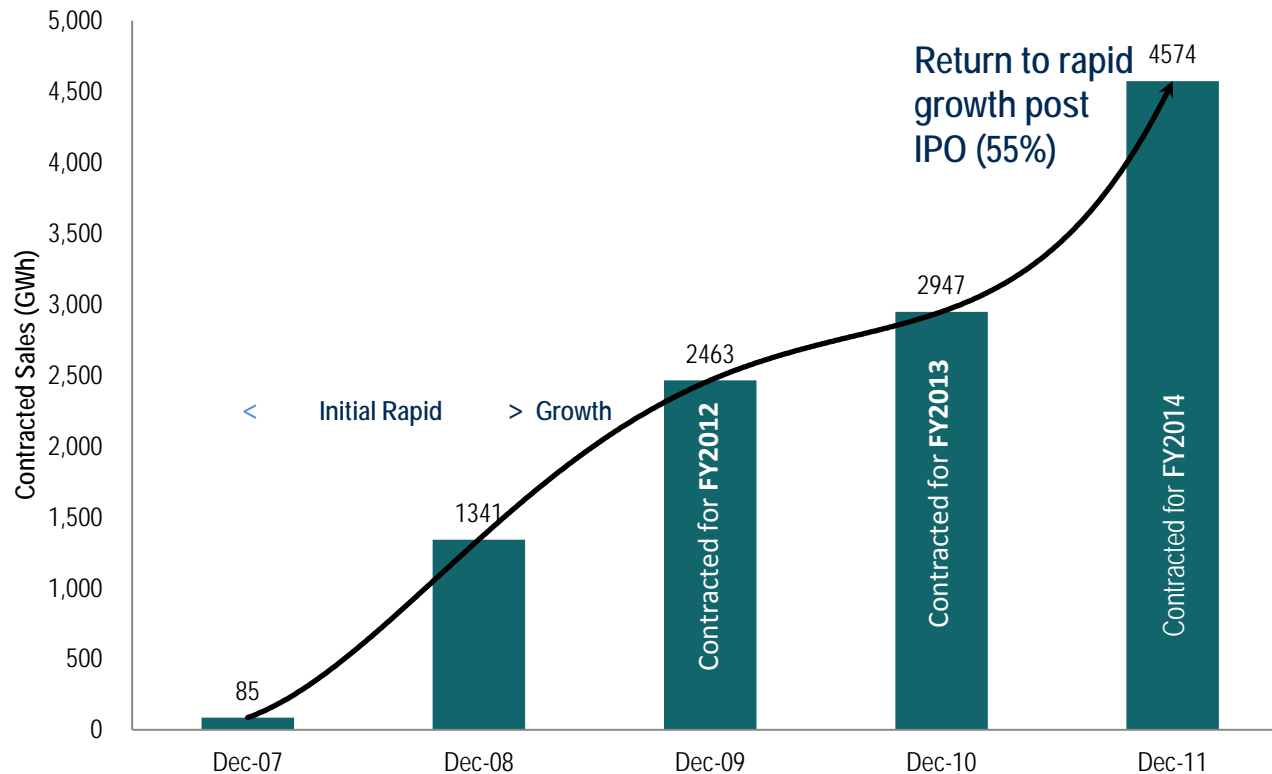
Rapid growth in market share

Share of Total Market (% of all retail electricity sold in Australia – GWh)



Rapid growth in forward contracts

Signed contracts 18 months before Financial Year start



League table (FY2013 ERM Power forecast - largest to smallest) (Electricity Sales in the National Electricity Market)

1st Origin Energy
2^{nd/3rd} AGL Energy or TRU Energy

4th ERM Power

Others large competitors in alphabetical order

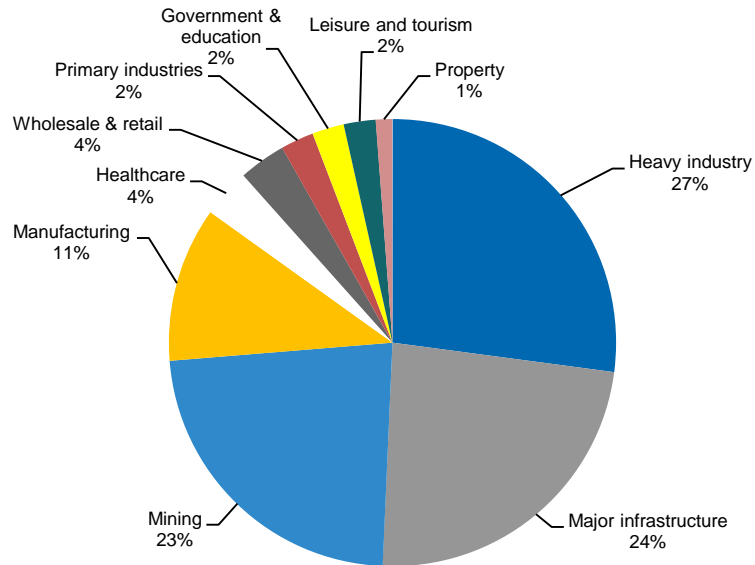
Alinta Energy
Aurora (Tas Gov't)
CS Energy (Qld Gov't)
Ergon Energy (Qld Gov't)
Momentum Energy (Tas Gov't)
SECV (Vic Gov't)

- From standstill to No. 4 in 5 years
- Fastest organically growing retailer
- Big gap to next players

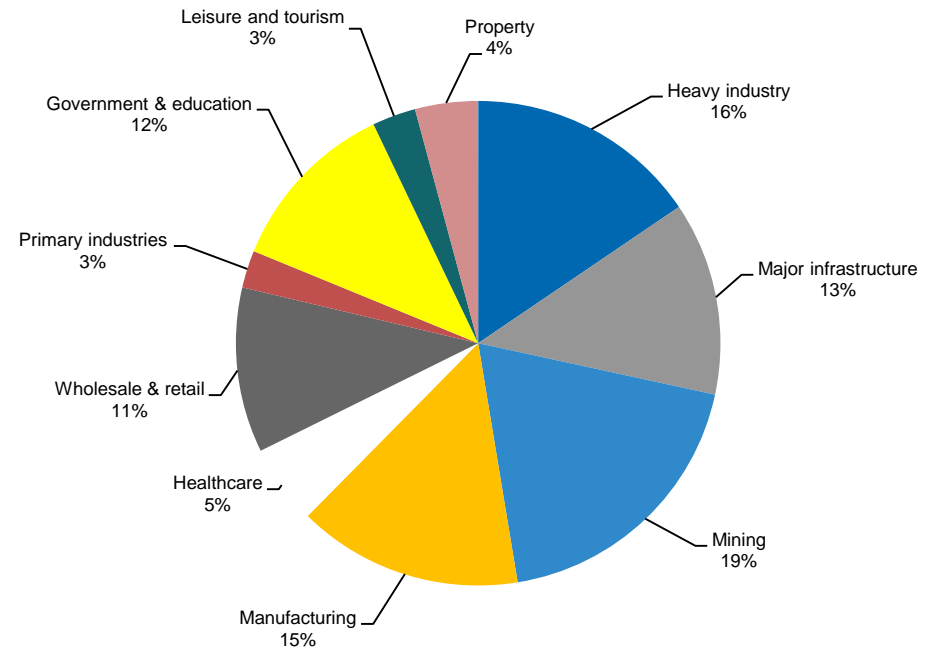
Note: This is ERM Power's forecast league table for volume of electricity sold in the National Electricity Market for FY2013. The analysis draws on 2011 SRES scheme liability data, ERM Power signed contracts and broad assumptions about the market and participants. This is not an independently verified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

Rapid diversification in customer types

Sales by Industry Type (FY2010A)



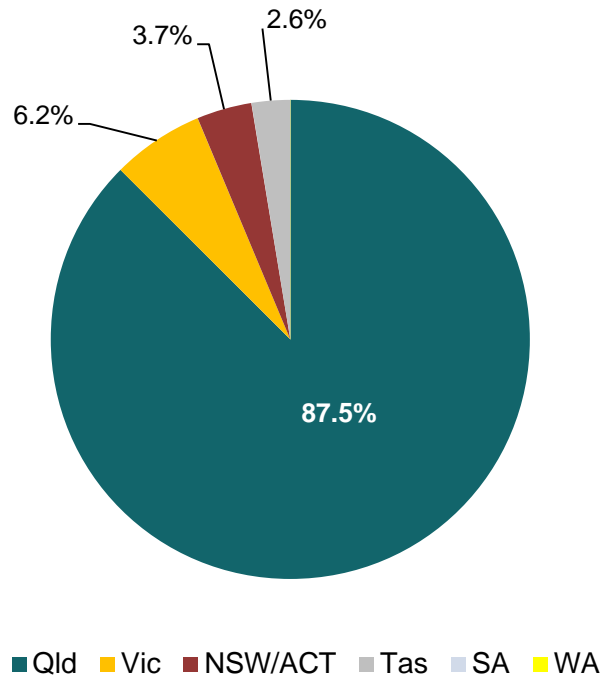
Sales by Industry Type (FY2012F)



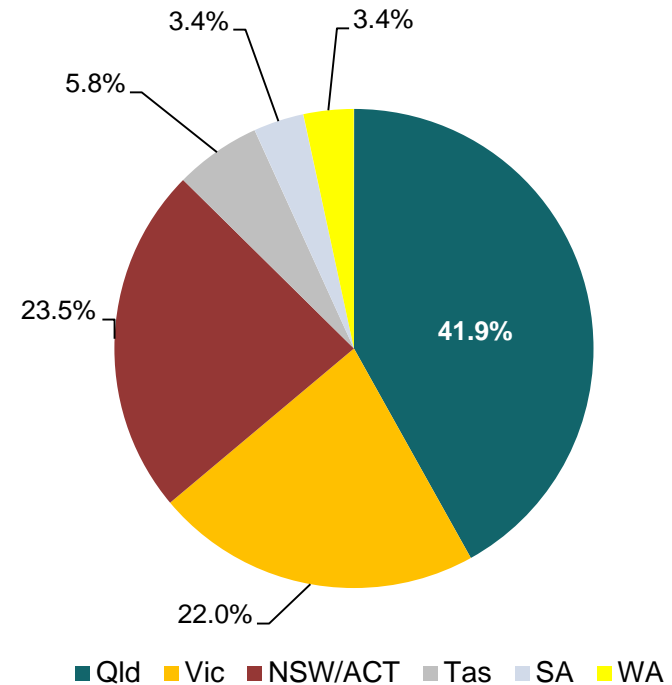
- Well balanced portfolio reducing risk

Rapid geographical diversification

Sales by Region (FY2010A)



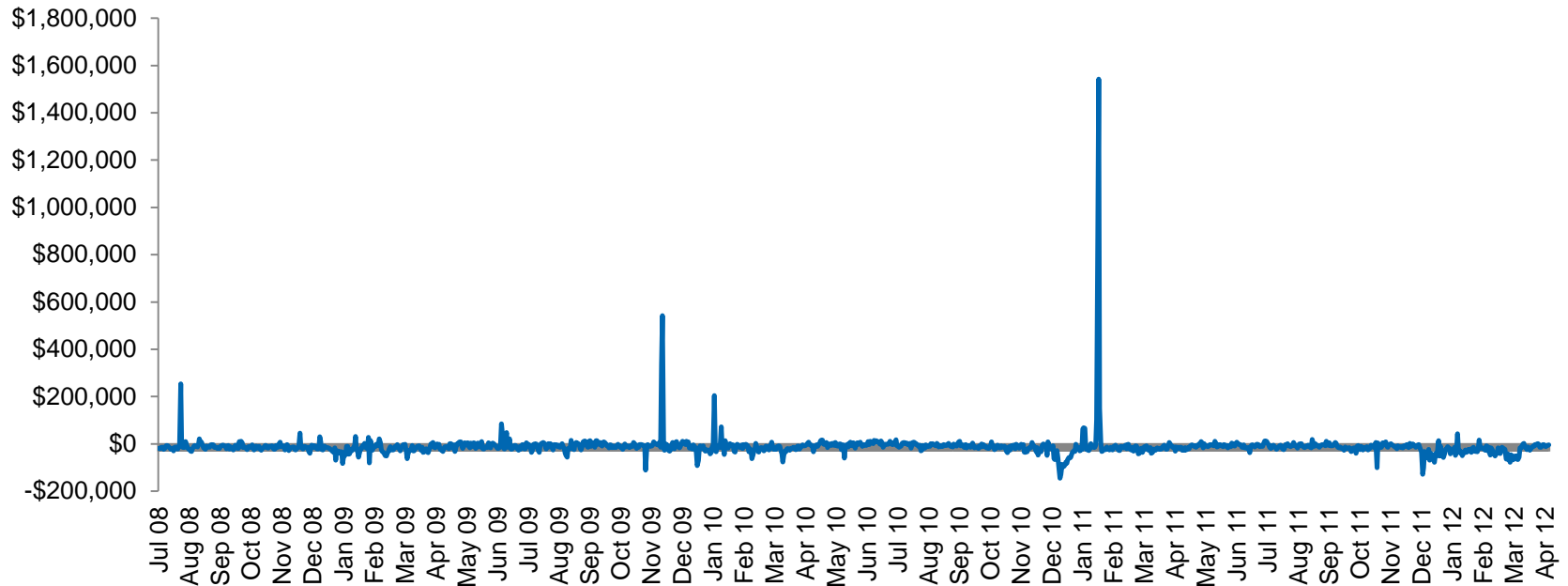
Sales by Region (FY2013F)



- Greater geographic diversity reducing risk

Conservative risk management

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

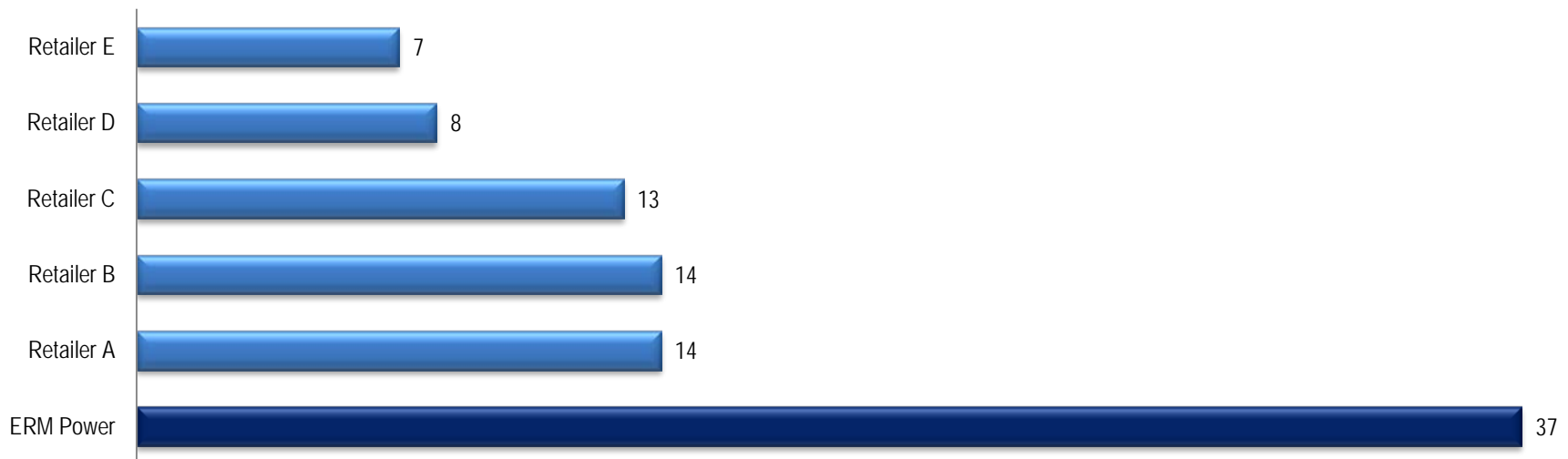


Daily gain/loss from spot exposure

- Worst daily loss in last 4 years was approximately \$150k on Christmas day in 2010 when we had excess product as expected

Why are we growing so fast?

Overall Customer Satisfaction - % of Customers "Very Satisfied"



Independent research* confirms ERM Power is No. 1 for customer service to business in electricity

ERM Power was the best performing retailer in 8 of 9 service categories and 11 of 12 account management categories

*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



Independent Customer Research

umi
Utility Market Intelligence

UTILITY . MARKET . INTELLIGENCE CUSTOMER RESEARCH IN UTILITY MARKETS

Retail Executive Presentation - ERM Power

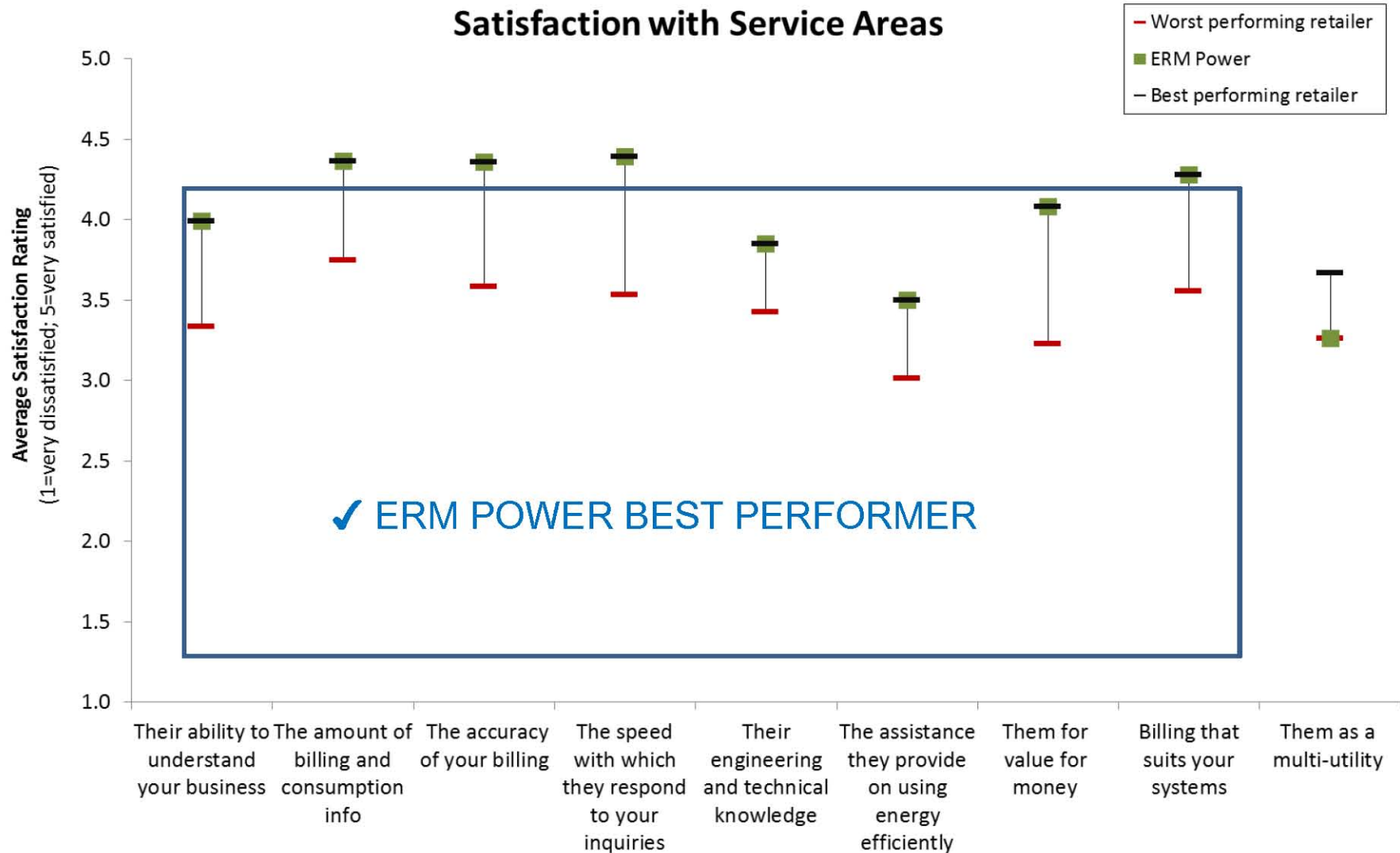
February 2012



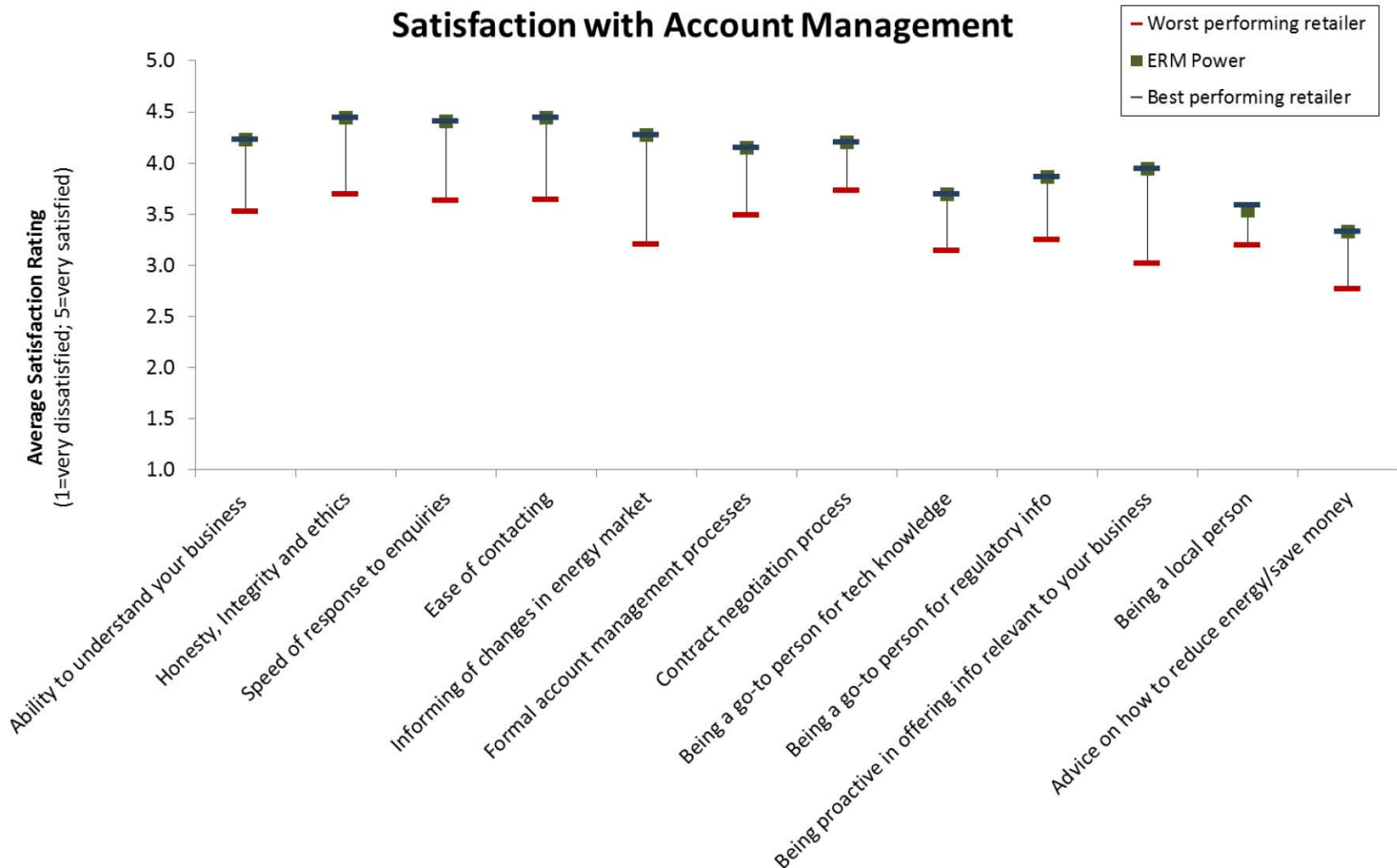
- Undertaken by the NTF Group
- 16th year of survey
- Focused on C&I customers
- Interviews conducted in November 2011 with 597 electricity customers that spend \$20,000 or more p.a. on electricity
- 100 ERM Power customers were interviewed

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ERM Power was the best performing retailer in all areas except being a multi-utility.



ERM Power were the top performing retailer in all areas of account management with the exception of being a local person.



First ever marketing campaign starts July 1

Fact 1:

ERM Power has grown this business with no marketing

Fact 2*:

> 80% of businesses are unaware of ERM Power

Fact 3*:

~40% of businesses recontract without a competitive tender

First ever marketing campaign starts July 1



**WE'RE HERE TO
CHANGE BUSINESS
ENERGY
IN AUSTRALIA FOREVER.**

BUSINESS ELECTRICITY CAN BE BETTER. MUCH BETTER.

IT'S OFTEN BEEN TAKEN FOR GRANTED OR IGNORED. MANY CUSTOMERS BUYING IT THINK THAT'S JUST THE WAY IT IS. AND MANY RETAILERS SELLING IT OFFER LITTLE OR NO SERVICE. NOT US. WE'VE BEEN A QUIET ACHIEVER IN THE ENERGY GAME FOR 30 YEARS. AND SINCE 2007, WE'VE BEEN A SPECIALIST ELECTRICITY RETAILER TO AUSTRALIA'S LARGEST COMMERCIAL AND INDUSTRIAL CUSTOMERS. IN FACT, WE'VE GROWN TO BECOME ONE OF THE NATION'S LARGEST ELECTRICITY RETAILERS BY LOAD. WE NOW OFFER OUR SERVICE TO CUSTOMERS WHO SPEND MORE THAN \$30K PER YEAR ON ELECTRICITY. BUT WE DON'T JUST SELL POWER. WE OFFER UNRIVALLED CUSTOMER SERVICE AND VALUE FOR MONEY. IT'S WHAT MAKES US DIFFERENT. IT'S WHAT MAKES US BETTER.

First ever marketing campaign starts July 1



**WE'RE HERE TO
PROVIDE
SOLUTIONS
FOR BUSINESS.**

LICENCED TO RETAIL IN MORE STATES AND TERRITORIES THAN ANY OTHER AUSTRALIAN ENERGY RETAILER, WE OFFER SERIOUS FLEXIBILITY. OUR CONTRACTS, BILLING OPTIONS, PRICING STRUCTURES, SERVICE REQUIREMENTS...THEY'RE ALL DELIVERED ON THE IDEA THAT NO TWO BUSINESSES ARE THE SAME. AS AUSTRALIA'S ONLY ENERGY RETAILER DEDICATED TO SERVING BUSINESS CUSTOMERS, THAT'S OUR PROMISE.

AND IT MAKES ALL THE DIFFERENCE.

More Information

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Appendix: ERM Power operations across Australia

