



**Operational and Financial Performance for the year ended 31 December 2016**

Transpower’s performance after six months is on track to achieve all SCI targets for the financial year, with the exception of one of our safety measures – number of fatalities or injuries causing permanent disabilities. This is due to a permanent disability suffered by one of our service provider fieldstaff after a truck lost control and rolled into one of our service provider’s vehicles. Based on the investigation to date the injury was not considered preventable by Transpower.

	31 December 2016	2015	SCI target
<b>Quarter Two</b>			
<b>Safety Performance Targets</b>			
Number of fatalities or injuries causing permanent disability	1	0	0
Total recordable injury frequency rate (TRIFR)	5.6 <sup>1</sup>	12.8	≤ 8
<b>Operational Performance Targets</b>			
Grid interruptions:			
• achieve targets for occurrence	On track	On track	Achieve target
• achieve targets for duration	On track	On track	Achieve target
Grid availability:			
• HVDC energy availability	98.3%	97.8%	98.5%
• Key HVAC circuits availability	99.0%	98.8%	98.7%
Achieve system operations target	On track	N/A	Achieve target
<b>Financial Performance Targets (Unaudited Annualised Results)</b>			
Free funds from operations interest coverage (times)	3.4	3.1	3.2
Free funds from operations / Debt (%)	15.9	14.6	15.8
Debt / (net debt + equity) (%)	69.5	71.1	70.0
Return on equity (%)	12.9	12.6	12.8
Return on capital employed (%)	7.0	7.0	6.9

<sup>1</sup> Rolling 12 months