

Mighty River Power

NZ Geothermal Workshop 2015



MIGHTY RIVER POWER

Paul Ware

20 November 2015

Highlights of the year

Seamless Chief Executive transition
Momentum maintained across business
Earnings resilience in year of low rainfall
Bold decisions on portfolio, investment
Clear focus on driving shareholder value



▶ INTRODUCTION

Realigned leadership team to support strategic priorities



Matt Olde
CE Metrix

Nick Clarke
GM Geothermal

Marlene Strawson
GM People & Safety

Phil Gibson
GM Hydro/
Wholesale

Fraser Whineray
Chief Executive

William Meek
Chief Financial
Officer

James Munro
GM Customer

Toni Laming
GM Strategy &
Communications

Tony Nagel
GM Corporate
Affairs



Positive Developments

National electricity demand growth

Short-term certainty around Tiwai smelter

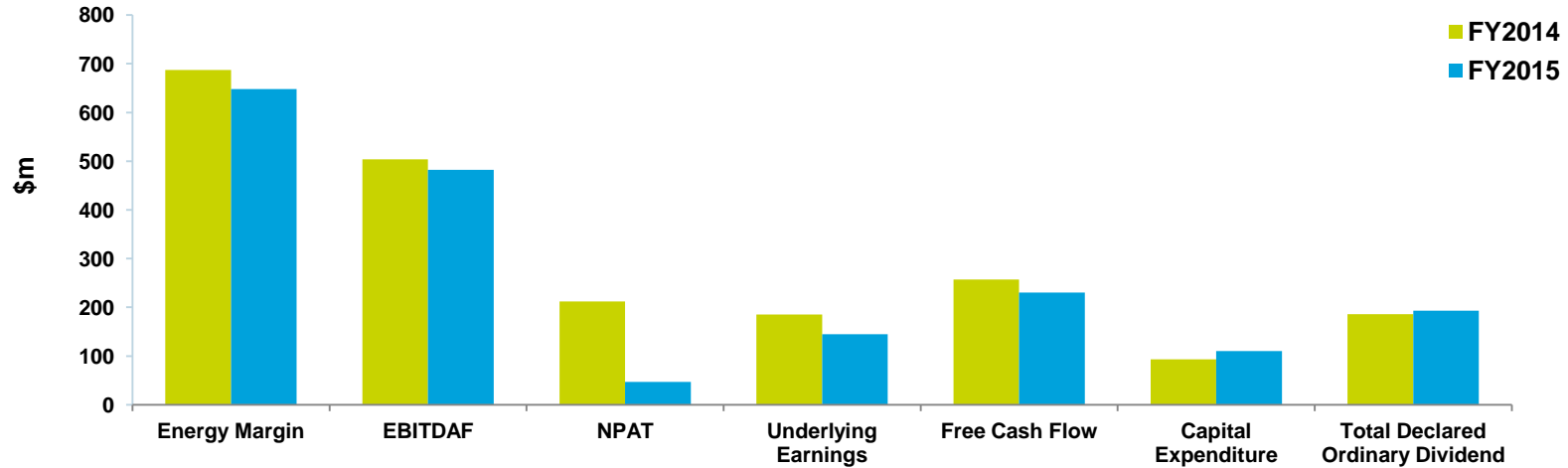
Planned retirement of thermal plant

3,800MW of renewables consented

Well-functioning market, will adapt to changes

► HIGHLIGHTS

FY2015 vs FY2014



- > Energy Margin, EBITDAF and Underlying Earnings impacted by lower hydro generation and the roll off of higher yield commercial contracts put in place in 2012
- > Net Profit impacted by non-cash \$130m impairments relating to exiting international geothermal development and planned closure of Southdown
- > Free cash flow and capital expenditure reflect higher stay-in-business capex (drilling two geothermal wells)



Current major geo projects for long term sustainability

Nga Awa Purua turbine

- > Replacement rotor installed and performing as designed
- > Optimising operations for long term stability and maximum generation output



► OUR ASSETS - VALUE AND MANAGEMENT

Current major geo projects for long term sustainability

Reservoir management

- > Drilling programme planning underway. Approaches to market for services, design and equipment supply
- > FY2017 focus followed by second stage in FY19
- > Minimise fuel cost and optimise generation:
 - > Reconfiguring production spread and injection
 - > Above ground reconfiguration





Ngatamariki Open Day – 3 October

- > Open Day for shareholders and the local community
- > Nearly 2000 people attended over five hours – travelled from all over NZ
- > Site tours, virtual control room, 3D model, EV display
- > Sponsorship support:
 - > NZ Rowing
 - > Waikato River Trails
 - > Taupo Coastguard
 - > Mihi School



► QUESTIONS?

