



Media Announcement

19 November 2015

Reassessment of long term wind production estimates at Snowtown Stage 2

Trustpower has recently completed an operational energy assessment of its Snowtown 2 Wind Farm in South Australia for the 12 month period following commissioning of the last wind turbine. This assessment has determined that P50 annual energy yield expectations should be revised to a level approximately 9.4% below pre-construction forecasts (892 GWh per annum vs 985 GWh per annum). This revision is due to a number of factors associated with energy yield prediction. In particular, resulting from the limitations with industry modelling tools when applied to a site of this complexity and scale, using modern large rotor turbines.

Energy yield modelling techniques are continuing to evolve to improve the accuracy of prediction, informed by research and analysis by wind industry participants and experts. Trustpower has undertaken a comprehensive analysis in conjunction with independent engineering advisors to better understand the factors contributing to this revision and will apply these learnings, along with advances in modelling techniques, to future developments.

Trustpower expects that lower wind production at Snowtown Stage 2 would reduce FY17 EBITDAF by approximately A\$8.5 million in a year of average wind. Trustpower also expects a reduction in the valuation of the Snowtown Stage 2 generation assets of between A\$60-70 million. This reduction would be applied against the Group's revaluation reserves. Snowtown Stage 2 generation assets were revalued upwards by A\$315 million as at 31 March 2015 following an independent valuation of the Group's generation assets.

Trustpower remains pleased with its investment in Snowtown Stage 2 and the value created for shareholders from this project.

A handwritten signature in black ink, appearing to read "V. P. Hawksworth".

Vince Hawksworth
Chief Executive
Phone: 021 223 4609