Contents

- Trustpower Key Facts
- FY15 Highlights and Market Environment
- FY15 Results Summary and Operational Performance
- Funding and Shareholder Performance
- Retail Multiproduct Strategy – Progress Update
- Generation Pipeline and LRET Review
- Group Strategic Focus and FY16 Outlook
Trustpower key facts

- Tauranga based national electricity generator / retailer
- Market capitalisation circa NZ$2.4 billion
- Key shareholders Infratil (51.1%), TECT (26.8%)
- Free float of Trustpower’s shares increased to 22.1% (excludes treasury stock)
- New Zealand generation capacity (hydro / wind) 634 MW producing an average of circa 2,406 GWh per annum
- 476 MW of Australian wind and hydro operating assets producing 1,624 GWh per annum
- Approximately 266,000 energy connections, including 24,000 gas connections plus 38,000 telco connections
- Approximately 630 FTE employees
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FY15 highlights

• Completion of the A$430 million 270 MW Snowtown Stage 2 Wind Farm on time and under budget. Revaluation uplift of A$300 million at year end confirms strong investment story.

• Acquisition of 105 MW of hydro and wind generation assets of Green State Power from the NSW Government. Post acquisition fair value uplift of A$22 million confirmed Trustpower bought well.

• Good execution in Year 1 of 5 year retail growth strategy. Momentum achieved in customer acquisition and margin retention
NZ electricity 7 day rolling spot prices last 12 months
NZ 7 day rolling demand last 12 months

Source: Transpower website
NZ hydro storage position

COMIT Hydro Summary – 7 May 2015
National storage returning to long term average after 4 months of dry conditions.
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# FY15 results summary

<table>
<thead>
<tr>
<th>Key Drivers</th>
<th>Comments</th>
</tr>
</thead>
</table>
| • Growth agenda delivering improved profitability despite challenging conditions characterised by low wholesale prices, generation over-capacity, flat demand and high NZD/AUD exchange rate | EBITDAF $331m up 19%  
Underlying NPAT $122.9m up 13%                                           |
| • NZ generation production no real increase on very low generation experienced last year – particularly in the 2nd half of the year | NZ Generation production 2,216 GWh down 8% on expectation  
North Island hydro down 30% on expectation                                     |
| • Retail growth strategy progressing well                                    | Electricity connections up 8% to 242,000  
Gas connections up 71% to 24,000  
Telco connections up 22% to 38,000  
Mass market sales up 5% to 1,659GWh                                          |
| • Continued spend of marketing and acquisition                              |                                               |
| • Australian profitability increased due to Snowtown Stage 2 but wind volume below expectation | Stage 2 EBITDAF contribution AUD65M  
Australian wind volume 1,167GWh down 8% on expectation                         |
| • Acquired NSW hydro and wind assets from GSP                               | Acquisition cost NZD81m  
Discount on acquisition NZD25m  
EBITDAF impact NZD11m                                                          |
| • Significant revaluation uplift validating the attractiveness of the Snowtown Stage 2 investment | Snowtown Stage 2 increase in value of AUD300m  
Other assets increase of NZD95m                                                |
EBITDAF bridge full year 2014 - 2015

2014 vs 2015 EBITDAF

2014 EBITDAF
Australia (excl FX movements)
Retail Margin
Generation development
NZ Generation volume
NZD/AUD movement
Other costs
Marketing & acquisition
Employee expenses
NZ Generation price (inc Trading)
2015 EBITDAF

$M
260
280
300
320
340
360
380
Changing customer mix will likely see decline over time due to increase in dual fuel and upper North Island customer acquisitions.

Energy efficiency trends still relevant.

Slight increase over prior year, likely weather related.

Dual fuel customers acquired to date showing significantly higher energy consumption versus electricity only.

Total energy sold is key focus moving forward.
Customer losses versus market

- Trustpower churn continues to run at 70 - 75% of market churn
EBITDAF, underlying earnings after tax operating cash flow year to 31 March 2015
Sources of own New Zealand generation

Source of Own NZ Generation

- Wind Generation
- North Island Hydro
- South Island Hydro

GWh

© Trustpower Limited
Overhead costs and customer numbers

Overhead Costs and Customer Numbers

Customers 000's

Overheads Per Electricity Connection

Electricity Connections
Telecommunication Connections
Gas Connections
Overheads Per Electricity Connection excl Acquisitions

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Current sources of debt financing

- Refinance of NZD & AUD bank facilities maturing July 2015 confirmed.
- Longer term funding mix currently provided by a combination of retail senior and subordinated bonds and ECA facilities.
- Strategic liquidity from committed but undrawn bank facilities rebuilding post completion of Snowtown Stage 2.
- NZD 100M of sub bonds maturing end of 2015 likely to be refinanced with similar tenor to current issue.

*Exchange Rate of NZD / AUD 0.94 assumed*
Gearing measures

Gearing improved by generation asset revaluation uplift
Dividends

Dividends (excluding special dividends) as % of Underlying Earnings and Cash Earnings

- Final dividend of 21c imputed to 14c payable 12 June 2015.
- 2.5% growth over prior year.
Trustpower total shareholder return since 1994

- Last 12 month TSR 30.4%
- 5 year compound TSR 7.6% per annum
- 10 Year compound TSR 7.7% per annum
- Compound TSR since listing in 1994 of 20.1% per annum
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Brand re-launch provided a growth platform

- Provides a focus for integrated multi-product strategy
- Creates awareness and consideration in major metro markets
- Provides the platform to redefine the target market – Customers who value Comfort, Connectivity and Convenience
Auckland building brand value...

- Auckland energy gains 12,900
- Growth in awareness leads to consideration and sales.
Auckland telco brand value takes time...

- Auckland Telco/energy sales 2,600
- Demonstrates opportunity for increased consideration of “bundle”.
- Provides the reason for sales engagement.
New campaign increases consideration and the pace of execution

• By bringing together **energy** and **telco** Trustpower can offer customer better value - $49 a month for unlimited broadband for a year

  “Great things happen when you get power and broadband together”
Multi product and customer focus – builds loyalty
On target to meet multi product growth goals

2010 Multi Product Split

- 89% One Product
- 11% Two Products
- 0% Three + Products

2015 Multi Product Split

- 77% One Product
- 21% Two Products
- 2% Three + Products

2020 Multi Product Target Split*

- 54% One Product
- 42% Two Products
- 4% Three + Products

*Indicative split

It pays to get it together.
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Generation development pipeline

- Trustpower retains significant options
- NZ hydro and wind
  - Near term oversupply headwind to investment
  - Maintain options as long as possible
- Australian wind
  - 20% by 2020 renewable energy target largely met by wind
  - PPA’s mitigate risk
  - Progressing DAs in SA, VIC and NSW with view that Government review of LRET will continue to support further wind development

**Generation Development Pipeline - New Zealand**

- Existing Assets: 634 MW
- Consented: 529 MW
- Identified - not yet consented: 140 MW

**Generation Development Pipeline - Australia**

- Existing Assets: 475 MW
- Consent in progress: 1280 MW
- Identified sites under option: 750 MW
Likely to be a new build opportunity of circa 16,000 GWh of renewable energy in Australia over next 5 years
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Group strategic focus

Retail Growth Initiatives

• Regional and metro acquisition campaigns continue
• Focus on technology tools and analysis to improve customer and target market insights
• Cross sell to exiting customer base
• Advanced metering deployment deferred until later in FY16

Australia Wind

• Progress development approval processes for 3 projects in SA, VIC and NSW (close to 900 MW in aggregate) in anticipation of RET review outcome.
• Focus on optimisation of development pipeline – potential for further acquisition of development options.
• Taking a longer term view of renewable energy investment opportunities beyond RET scheme. Expect Australia’s ageing fossil fuel generation assets to be scaled back over the next 10 - 15 years and be replaced by renewable energy.

Irrigation

• Negotiation of further water storage and release agreements with irrigators.
FY16 outlook

• Total CAPEX expected to be circa NZD46 million made up of:

  - Stay in business generation including seismic strengthening work at 3 sites – NZD22 million
  - IT (software and hardware) – NZD14 million
  - Other including new head office fit out – NZD10 million

• NZD5 million expected EBITDAF impact from pursuing customer growth strategy versus no growth

• FY16 depreciation expected to be NZD95-100 million following asset revaluations.
Non-GAAP measures

- Underlying Earnings is a non GAAP (Generally Accepted Accounting Principles) financial measure. Trustpower believes that this measure is an important additional financial measure to disclose as it excludes movements in the fair value of financial instruments which can be volatile year to year depending on movement in long term interest rate and or electricity future prices. Also excluded in this measure are items considered to be one off and not related to core business such as changes to the company tax rate or impairment of generation assets.

- EBITDAF is a non GAAP financial measure but is commonly used within the electricity industry as a measure of performance as it shows the level of earnings before impact of gearing levels and non-cash charges such as depreciation and amortisation. Market analysts use the measure as an input into company valuation and valuation metrics used to assess relative value and performance of companies across the sector.

- Reconciliation between statutory measure of profit and the two measures above are given below:

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
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<tr>
<td>Profit After Tax</td>
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<td>131,652</td>
<td>123,351</td>
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<td>Attributable to</td>
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<td>Shareholders of the</td>
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<tr>
<td>Company</td>
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<tr>
<td>Fair value losses / (gains) on financial instruments</td>
<td>(62)</td>
<td>7,544</td>
<td>5,593</td>
<td>(9,448)</td>
<td>14,219</td>
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<tr>
<td>Discount on acquisition</td>
<td></td>
<td></td>
<td></td>
<td>(24,986)</td>
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<tr>
<td>Impairment of assets</td>
<td></td>
<td>428</td>
<td></td>
<td>226</td>
<td>141</td>
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<tr>
<td>Changes in income tax expense in relation to adjustments</td>
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<tr>
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<th>2013</th>
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<th>2015</th>
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<tbody>
<tr>
<td>Operating Profit</td>
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<td>Fair value losses / (gains) on financial instruments</td>
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<td>7,544</td>
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<td>Depreciation and</td>
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<td>EBITDAF</td>
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<td>300,137</td>
<td>294,756</td>
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<td>330,731</td>
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Thank you