



Appendix 1

Stock Exchange listings: NZX (MEL) ASX (MEZ)

1. Half year reporting periods

Reporting period: six months to 31 December 2015
Previous reporting period: six months to 31 December 2014

2. Results for announcement to the market

| | Six months to 31 December 2015 (NZ\$m) | Percentage change |
|---|--|-------------------|
| Operational results | | |
| Revenue from ordinary activities | 1,441 | +8% |
| Profit from ordinary activities after tax attributable to security holders | 104 | -11% |
| Net profit attributable to security holders | 104 | -11% |
| Energy Margin ¹ | 509 | +6 % |
| EBITDAF ² | 332 | +2% |
| Underlying Net Profit after Tax ³ | 122 | +6% |

¹ Energy Margin is a non-GAAP measure representing Energy Sales Revenue less Energy Related Expenses and Energy Distribution Expenses.

² EBITDAF is a non-GAAP financial measure, defined as earnings before interest, taxation, depreciation, amortisation, changes in fair value of financial instruments, gain/(loss) on sale of assets and joint venture equity accounting earnings

³ Underlying Net Profit after Tax is a non-GAAP measure representing Net Profit after Tax adjusted for the effects of non cash fair value movements and other one-off items.

| | Six months to 31 December 2015 (NZ\$m) | Six months to 31 December 2014 (NZ\$m) |
|---|---|---|
| Underlying NPAT Reconciliation | | |
| Net Profit after Tax | 104 | 117 |
| Net Change in Fair Value of Financial Instruments (Operating) | 32 | - |
| Net Change in Fair Value of Financial Instruments (Financing) | - | 26 |
| Premiums Paid on Electricity Options (less interest) | -7 | -8 |
| Net (Gain)/Loss on Sale of Assets | - | -15 |
| Adjustments before Tax | 25 | 3 |
| Net Income Tax on Adjustments | -7 | -5 |
| Adjustments after Tax | 18 | -2 |
| Underlying Net Profit after Tax | 122 | 115 |

| | Amount per security (NZ cents) | Imputed amount per security (NZ cents) |
|---------------------------|--------------------------------------|--|
| Dividends | | |
| Interim ordinary dividend | 5.1000 | 1.6900 |
| Record Date | 31 March 2016 | |
| Payment Date | 15 April 2016 | |
| Special dividend | 2.4400 | 0.0000 |
| Record Date | 31 March 2015 | |
| Payment Date | 15 April 2015 | |

For commentary on the operational results please refer to the media announcement and interim results presentation. Appendix 1 should be read in conjunction with the attached Condensed Interim Financial Statements for the six months 31 December 2015.

3. Net tangible assets per security

| | 31 December 2015 (NZ cents) | 31 December 2014 (NZ cents) |
|---|--------------------------------|--------------------------------|
| Net tangible asset per security, after deferred tax | 167 | 168 |

4. Control of entities gained or lost during the period

| Name of Entity | Incorporated | Principal Activity | Interest held by Group |
|------------------------|--------------|--------------------------|------------------------|
| Powershop (UK) Limited | 13/10/15 | Franchise licence holder | 100% |

5. Dividends

As per point 2 and NZX Appendix 7 attached

6. Dividend or distribution reinvestment plans

Nil

7. Associates and joint venture entities

| Name of Entity | Country of Incorporation | Date | Principal Activity | Interest held by Group |
|----------------------------------|--------------------------|----------|------------------------|------------------------|
| EDDI Project JV | New Zealand | 01/05/12 | Dam Management Systems | 50% |
| Hunter Downs Development Company | New Zealand | 01/07/13 | Irrigation Development | 63% |

8. Accounting standards

The group financial statements have been prepared in accordance with the New Zealand equivalent to International Accounting Standard 34: Interim Financial Reporting (NZ IAS 34) and include condensed notes to the group financial statements. The group financial statements also comply with International Accounting Standard IAS 34: Interim Financial Reporting (IAS 34).

9. Audit

This report is based on the unaudited interim group financial statements. Deloitte has provided a review report on the financial statements, which is attached.