



meridian

THE LONG RUN

MERIDIAN ENERGY LIMITED
2018 ANNUAL SHAREHOLDER MEETING



FTSE4Good

MEMBER OF

**Dow Jones
Sustainability Indices**

In Collaboration with RobecoSAM

ORDER OF BUSINESS

- CHAIR'S ADDRESS
- CHIEF EXECUTIVE'S REVIEW
- QUESTIONS
- RESOLUTIONS

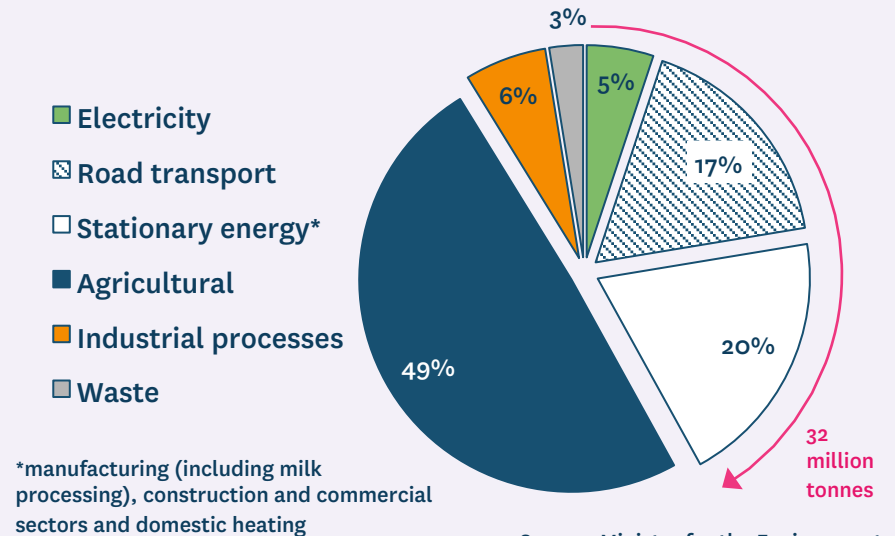
CHAIR'S ADDRESS



COALITION GOVERNMENT

- Government is looking to ensure New Zealand delivers a low emissions economy
- Electrification offers the opportunity to remove up to 32 million tonnes of carbon

NZ 2016 SECTOR EMISSIONS



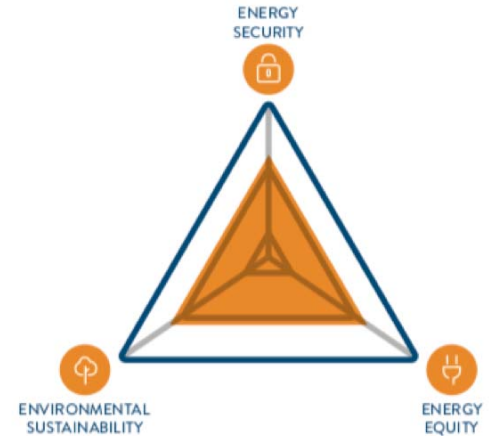
ELECTRICITY PRICE REVIEW

- New Zealand electricity market is one of the best performing in the world
- Reinforced by the World Energy Council and New Zealand Productivity Commission

Figure 1: 2018 World Energy Trilemma top 10 performers overall and per dimension

TOP 10 OVERALL RESULTS

1. Denmark
2. Switzerland
3. Sweden
4. Netherlands
5. United Kingdom
6. Slovenia
7. Germany
8. New Zealand
9. Norway
10. France



Source: World Energy Council

AUSTRALIA

- State and Federal Government reviews of electricity price transparency and affordability
- Australia is struggling to transition to a decarbonised energy system due to political instability

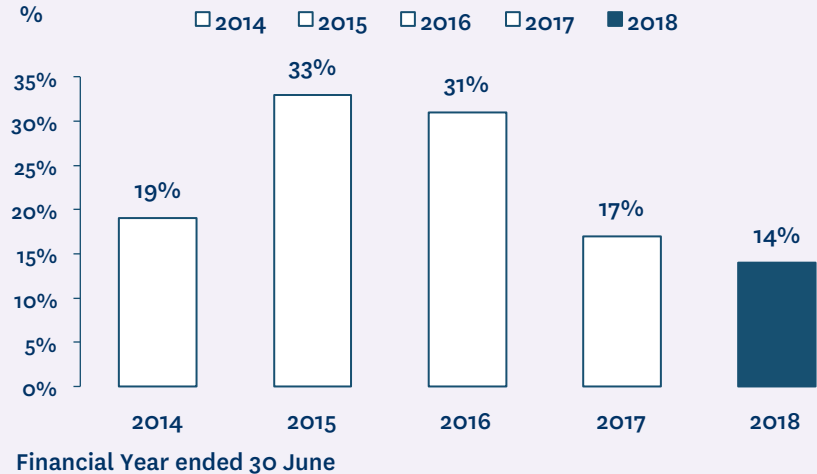
RESIDENTIAL PRICE COMPARISON	<u>AUSTRALIA</u>	<u>NEW ZEALAND</u>
Average 2018 prices, Nominal, Including GST	40.76 NZD c/kWh	29.03 NZD c/kWh
2008-2018 Average annual increase, Real, Including GST	5.1% per annum	1.4% per annum

Source: ACCC, Ministry of Business, Innovation and Employment, Meridian

SHAREHOLDER HIGHLIGHTS

- FY18 EBITDAF¹ 1.4% higher than FY17
- Dividends paid during FY18 1.9% higher than FY17
- Total shareholder return in FY18 of 14%
- Capital management programme extended to 2022

TOTAL SHAREHOLDER RETURN



Source: Meridian

¹Earnings before interest, tax, depreciation, amortisation and changes in fair value of hedges and other significant items

OUR PEOPLE

- Neal Barclay, new Chief Executive since 1 January 2018
- Resignation of Stephen Reindler, Director since 2008
- Institute of Directors Future Director



CHIEF EXECUTIVE'S REVIEW



SUSTAINABILITY LEADERSHIP

- Renewable generation supports our authentic sustainability leadership
- 90% electric Meridian passenger fleet by 2020
- Seeking hydro insurance products from cleaner forms of fuel
- Net carbon zero across our operations
- Standout green credentials in Australia



OUR PEOPLE

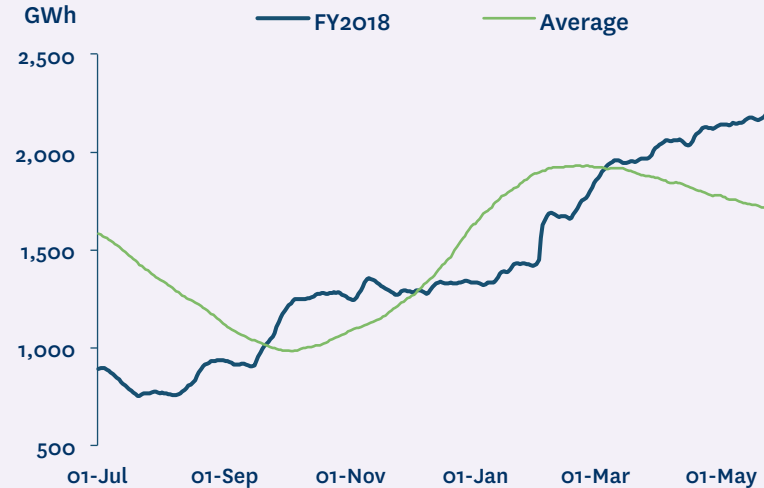
- Unrelenting commitment to the safety and wellbeing of our people
- Committed to achieving gender pay parity, currently 98%
- Rainbow Tick accreditation supports our diversity and inclusion
- Voluntary increase in paid parental leave to 22 weeks



FINANCIAL PERFORMANCE

- Two significant dry periods during FY18
- Lowest generation volumes since 2013
- Improved electricity hedge markets
- Delivering on our strategy of growing in retail and overseas

MERIDIAN'S WAITAKI STORAGE

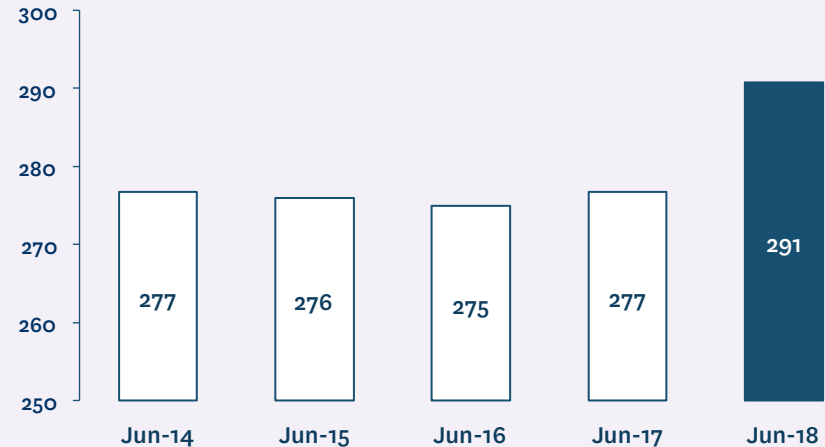


Source: Meridian

OUR CUSTOMERS

- Customer connections grew by 14,000 during FY18
- Disconnection rate has reduced by 80% in the last five years
- Meridian is replacing prompt payment discounts with a guaranteed discount not tied to a due date
- Transitioning Meridian customers onto our Flux Federation software platform

NEW ZEALAND CUSTOMER NUMBERS ICP (000)



Source: Meridian

NEW ZEALAND ALUMINUM SMELTERS

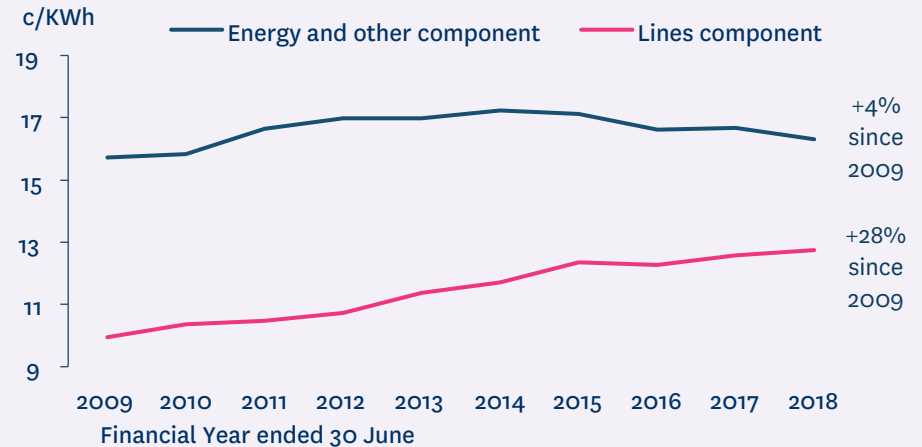
- Meridian is supporting NZAS with an additional 50MW energy solution
- A good sign that NZAS are investing in increased production at Tiwai Point



RETAIL ELECTRICITY PRICES

- Mostly supportive of the Electricity Price Review Panel's findings
- 55% of New Zealanders considered switching electricity retailer in the last year
- Energy hardship is a complex social issue

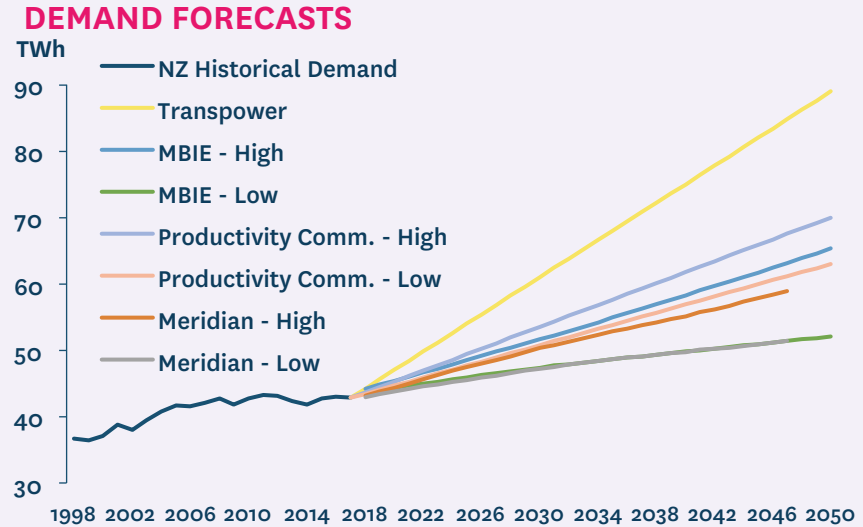
REAL RESIDENTIAL ELECTRICITY COST



Source: Ministry of Business, Innovation and Employment

DEMAND OUTLOOK FOR THE SECTOR IN NZ

- Medium term demand growth looks to be similar to current modest growth, however:
 - Current thermal generation is aging
 - Policy momentum for Net Zero Carbon New Zealand by 2050
 - These factors are reflected in higher longer term demand growth forecasts
- A more balanced RMA framework is needed



Source: Meridian

OFFSHORE

- Volatile Australian electricity market has seen customer growth stop
- New hydro assets and renewable offtake agreements acquired
- Retail gas launched in Victoria
- Customer growth of 38% in the Powershop UK customers since July 2018

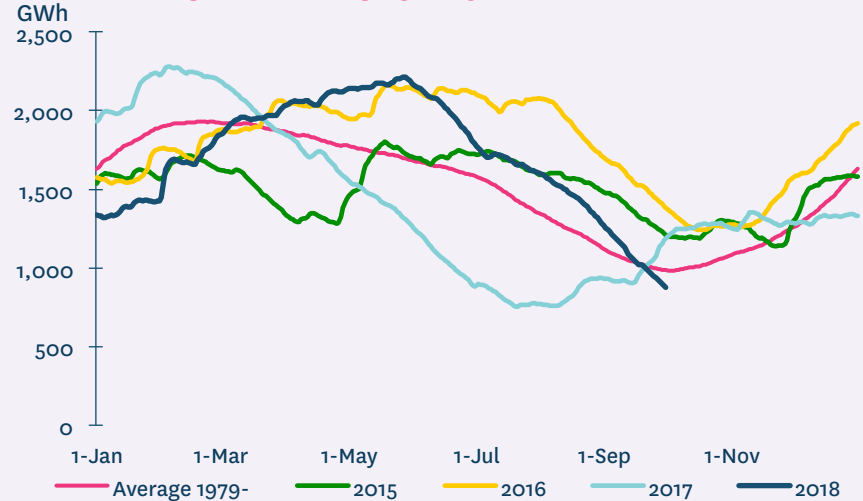


Meridian's new Australian hydro assets, from top, Hume, Burrinjuck, Keepit

CONCLUDING COMMENTS

- Current storage is slightly below average
- Stronger national focus on climate action will benefit the electricity sector and Meridian
- Fundamentals of the business remain strong

MERIDIAN'S WAITAKI STORAGE



Source: Meridian



QUESTIONS

RESOLUTIONS AND VOTING

A photograph of a woman in a blue jacket smiling and looking down, with her hand being placed on her shoulder by a person in a grey jacket. The background is a plain, light-colored wall.

VOTE TOTALS

	RE-ELECTION OF MARK CAIRNS	RE-ELECTION OF ANAKE GOODALL	RE-ELECTION OF PETER WILSON
POSTAL AND ONLINE VOTES ALREADY CAST			
FOR	584,210,583	586,381,265	583,768,375
AGAINST	2,878,427	671,008	3,263,480
ABSTAIN	1,806,196	1,808,183	1,837,801
VOTES APPOINTED TO PROXIES NOT YET CAST¹	1,312,450,737	1,312,485,487	1,312,476,287
TOTAL	1,901,345,943	1,901,345,943	1,901,345,943

¹Votes held by the Chair, Directors and other proxies

RESOLUTION 1

Re-election of Mark Cairns

- That Mark Cairns, who retires by rotation and is eligible for re-election, be re-elected as a Director of the Company



RESOLUTION 2

Re-election of Anake Goodall

- That Anake Goodall, who retires by rotation and is eligible for re-election, be re-elected as a Director of the Company



RESOLUTION 3

Re-election of Peter Wilson

- That Peter Wilson, who retires by rotation and is eligible for re-election, be re-elected as a Director of the Company



CLOSING



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WWW.MERIDIANENERGY.CO.NZ/INVESTORS/

ALL CURRENCY AMOUNTS ARE IN NEW ZEALAND DOLLARS UNLESS STATED OTHERWISE.