



**Friday 1 February 2013**

**Quarterly Operating Result Announcement – Nine months to 31 December 2012.**

TrustPower's operating statistics for the nine months to 31 December 2012 together with prior period comparatives are provided at the end of this announcement.

TrustPower's New Zealand generation production was 1,894 GWh for the period, 7 per cent below the same period last year reflecting very strong hydro production in the prior period but less than 2 per cent below expected long term average production. Wind production at the Tararua and Mahinerangi wind farms was 4 per cent higher than prior period.

New Zealand hydro storage levels are currently well above average following recent high inflows into major storage catchments.

The Snowtown Stage 1 Wind Farm in South Australia produced 289 GWh during the period which was 7 per cent up on prior period and 1 per cent below expected long term average production.

Mass market customer sales were down 8 per cent compared to prior period due to lower customer numbers and actual usage. Mass market competition remains strong although a moderation in customer churn has been experienced during the period with customer numbers reducing by 4,000 since 31 March 2012. Time of Use sales were down 105 GWh (6 per cent) on prior period. However, this reduction was offset by 188 GWh of sales through ASX, given attractive pricing available earlier in the financial year.

The 3.8MW hydro project at Esk Valley in the Hawkes Bay is progressing well and remains on target for commissioning in June 2013.

The Government's decision with respect to approving the variation to the Rakaia River Water Conservation Order is expected shortly. In the meantime, the Company continues to progress water storage and release agreements to provide reliable irrigation supply to landowners in the region.

The construction of the 270 MW Snowtown Stage 2 Wind Farm in South Australia is progressing to schedule. Manufacturing of wind turbines is scheduled to commence shortly with first shipment expected during the first quarter of the 2014 financial year.

TrustPower continues to progress other Australian wind development opportunities in Victoria and New South Wales given the positive outlook for wind development in Australia.

The Electricity Authority's review of transmission pricing methodology proposes a number of substantial changes to the current transmission pricing framework. TrustPower's view is that much of what is being proposed is unnecessarily complex and is likely to lead to unintended consequences for the electricity industry and on-going regulatory uncertainty for investors. TrustPower intends to lodge a detailed submission by end of February 2013.

	9 Months	9 Months	12 Months
<b>Operating Statistics</b>	<b>December 2012</b>	<b>December 2011</b>	<b>March 2012</b>
Electricity customer numbers (000's)	205	214	209
Telecommunication services provided (000's)	41	37	38
Mass market sales (GWh)	1,268	1,383	1,761
Time of use sales (GWh)	1,583	1,688	2,199
<b>Total customer sales (GWh)</b>	<b>2,851</b>	<b>3,071</b>	<b>3,960</b>
Average spot price of electricity purchased (\$/MWh)	82	71	78
North Island hydro generation production (GWh)	613	725	922
South Island hydro generation production (GWh)	781	821	1,012
Total hydro generation production (GWh)	1,394	1,546	1,934
North Island wind generation production (GWh)	427	404	548
South Island wind generation production (GWh)	73	78	100
Total wind generation production (GWh)	500	482	648
<b>Total New Zealand generation production (GWh)</b>	<b>1,894</b>	<b>2,028</b>	<b>2,582</b>
Average spot price of electricity generated (\$/MWh)	81	65	72
Australian wind generation production (GWh)	289	271	376
Resource consent non-compliance events	4	8	10
Staff numbers (full time equivalents)	469	463	458

**BJ HARKER**  
**CHAIRMAN**