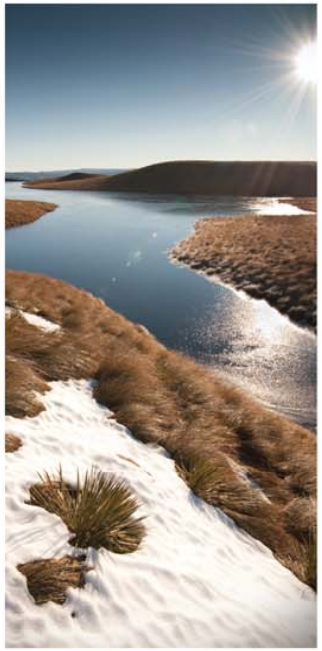

Presentation to Investor Briefing

May 2010

Agenda

- TrustPower – Key Facts
- FY2010 Financial Performance and Operations Overview
- Competitor Benchmarking and Shareholder Returns
- Regulatory Environment
- Strategic Focus and FY2011 Outlook
- Vince Hawksworth - Introduction
- Questions and Answers

TrustPower – Key Facts

- Tauranga based national electricity generator / retailer
- Market capitalisation circa NZD 2.3 billion
- Key Shareholders Infratil (50.5%), TECT (33%)
- Freefloat 16.5%
- NZ generation capacity (hydro / wind) 585 MW producing circa 2,260 GWh per annum in average year
- 99 MW wind farm in South Australia producing circa 390 GWh per annum in average year
- 225,000 electricity customers, 33,000 telco services
- 406 employees

TrustPower

Financial Summary

Extracted from Audited Accounts	FY March 10 $m	FY March 09 $m	% Change
Operating Revenue	759.3	785.4	-3.3
Operating Costs	485.4	524.0	-7.4
EBITDAF	273.9	261.4	4.8
Depreciation and Amortisation	55.0	44.4	23.9
Impairment of assets	6.1	1.5	306.7
Fair Value (Gains) / Losses on Financial Instruments	(12.5)	19.6	N/A
EBIT	225.3	196.0	14.9
Net Interest	58.7	52.4	12.0
Tax	47.1	38.6	22.0
Net Surplus After Tax	119.4	105.1	13.6
Underlying Earnings After Tax	116.8	118.8	-1.7

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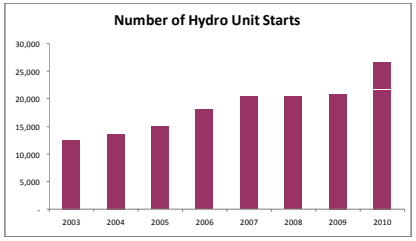
Comments on Financial Result – Key Points

- EBITDAF result satisfactory given shortfall in own generation (-11% on long term expectation and -5% prior year)
- Drop in energy costs of 34% assisted by low South Island spot prices
- Generation production costs up 18%
  - Tararua I and II expensive transition to new O&M Contract
  - Significant increase in hydro starts leading to higher maintenance costs
- Fair value gain on financial instruments due to significant increase in long term NZ and Australian interest rates impacting mark-to-market valuation
- Impairment charge taken against project to replace customer information system
- Significant depreciation increase following March 2009 revaluation and full year of Snowtown



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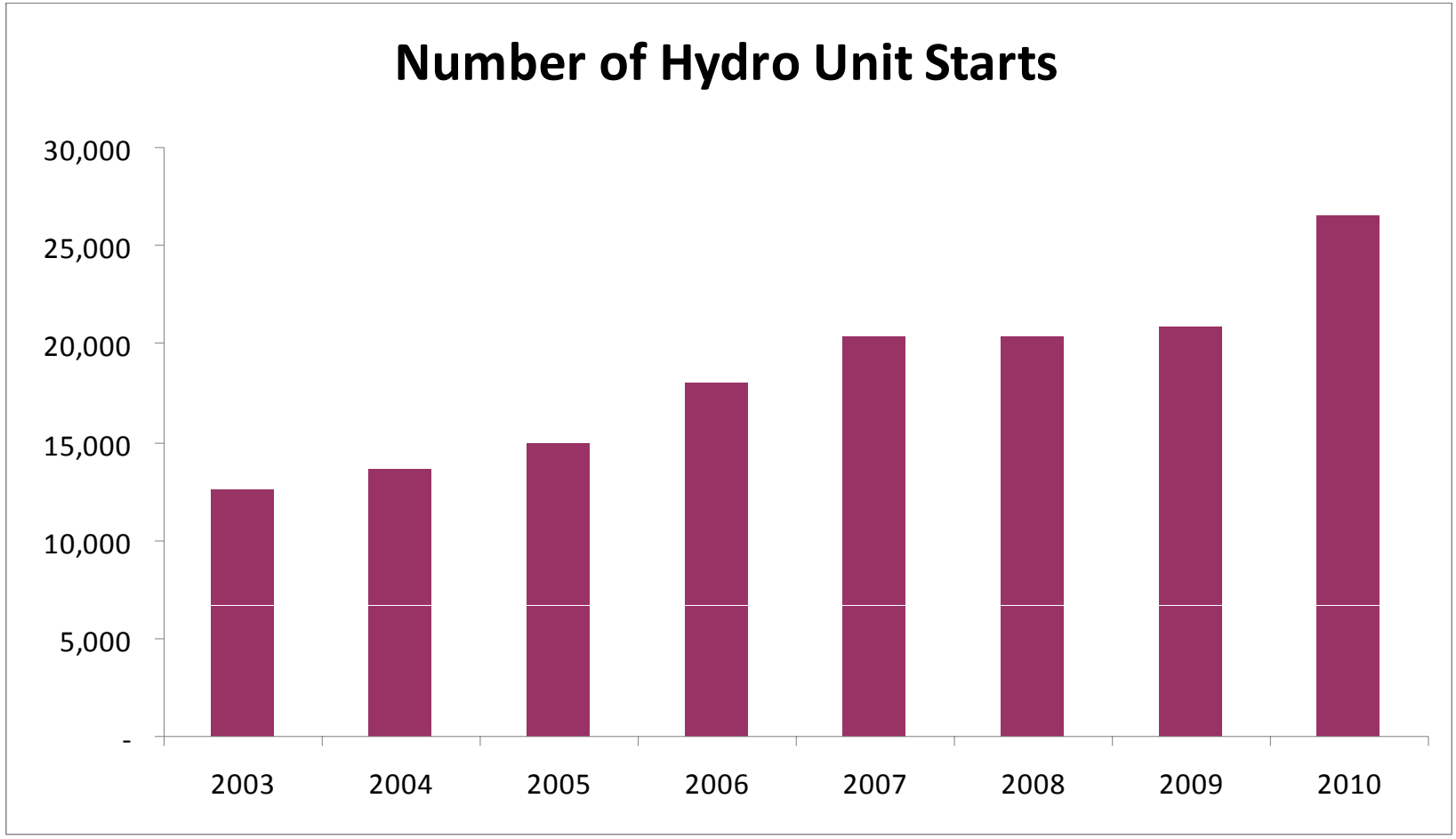
Comments on Financial Result – Key Points



Operation Performance FY10

Operational Performance	FY10	FY09	% Var
Mass Market Volume Sales GWh	2,057	2,007	2.5
Commercial Volume Sales GWh	1,276	1,049	21.6
Industrial Volume Sales GWh	770	975	(21.0)
ToU Volume Sales GWh	2,046	2,025	1.0
Total Volume Sold GWh	4,103	4,032	1.8
North Island Hydro GWh	615	750	(18.0)
South Island Hydro GWh	820	819	0.1
NZ Own Generation Hydro (GWh)	1,435	1,569	(8.5)
NZ Own Generation Wind (GWh)	582	558	4.3
NZ Total Own Generation	2,017	2,127	(5.2)
Australian Wind (GWh)	373	254	46.8

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Operation Performance FY10
Cont.




Operational Performance	FY10	FY09	% Var
NZ Generation Weighted Average price received $MWh	50	112	(55.4)
NZ Load weighted average price paid $MWh	56	120	(53.3)
LWAP / GWAP Ratio	1.12	1.07	4.7
Electricity Customers	225,000	227,000	(0.9)
Telecommunication Services Provided	33,000	30,000	10.0

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Comments on Operational Performance

- Reduction in industrial volume successfully replaced with commercial / SME customers
- NZ generation down 110 GWh (-5%) versus prior year and 243 GWh down (-11%) on long term average
- Hydro generation down 134 GWh (-9%). Shortfall all in the North Island due to fourth quarter drought conditions. Wind production up 24 GWh (4%) on prior year
- Australian wind production (Snowtown first full year) of 373 GWh was 17 GWH (4%) down on long term expectation

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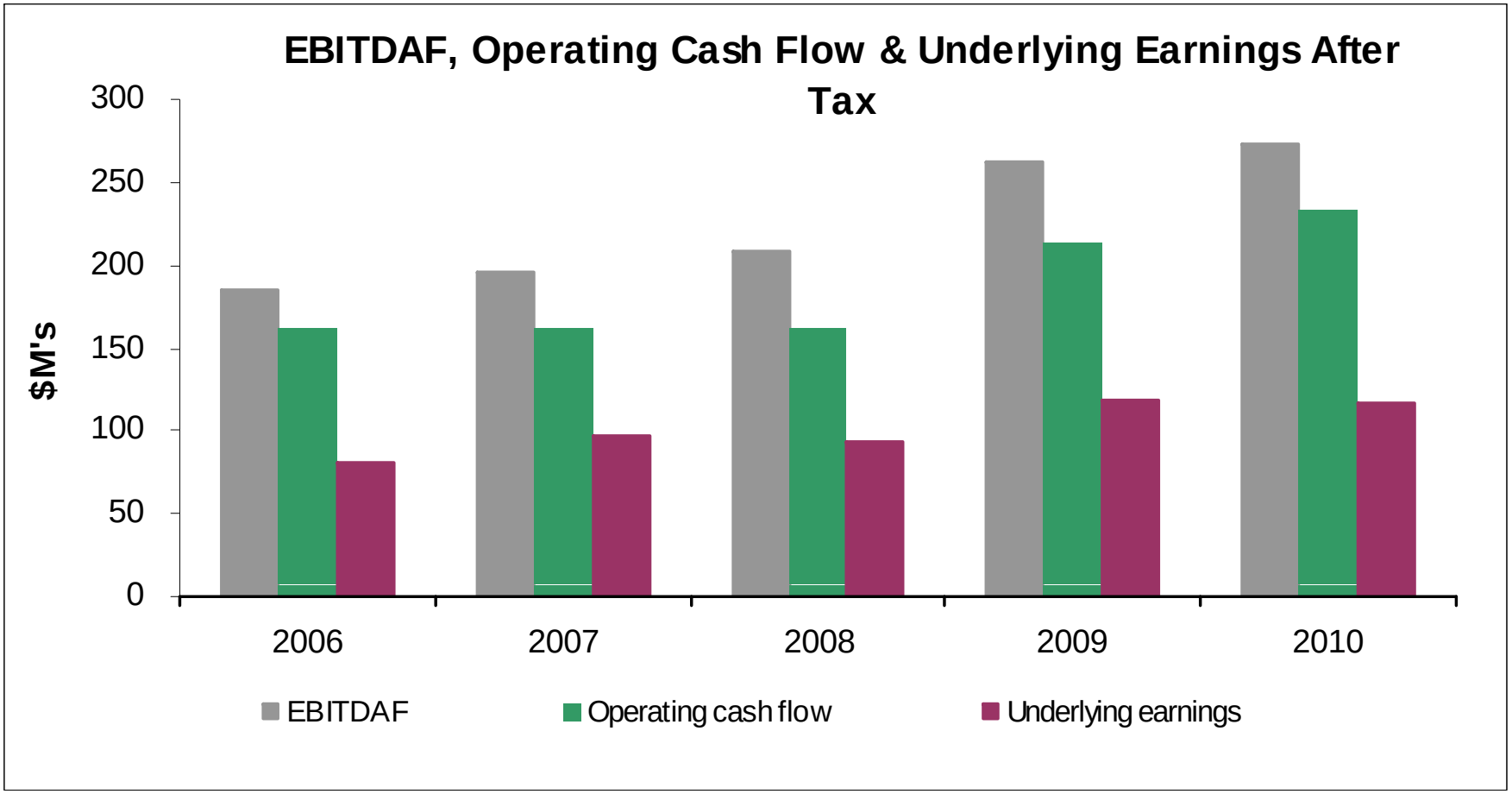
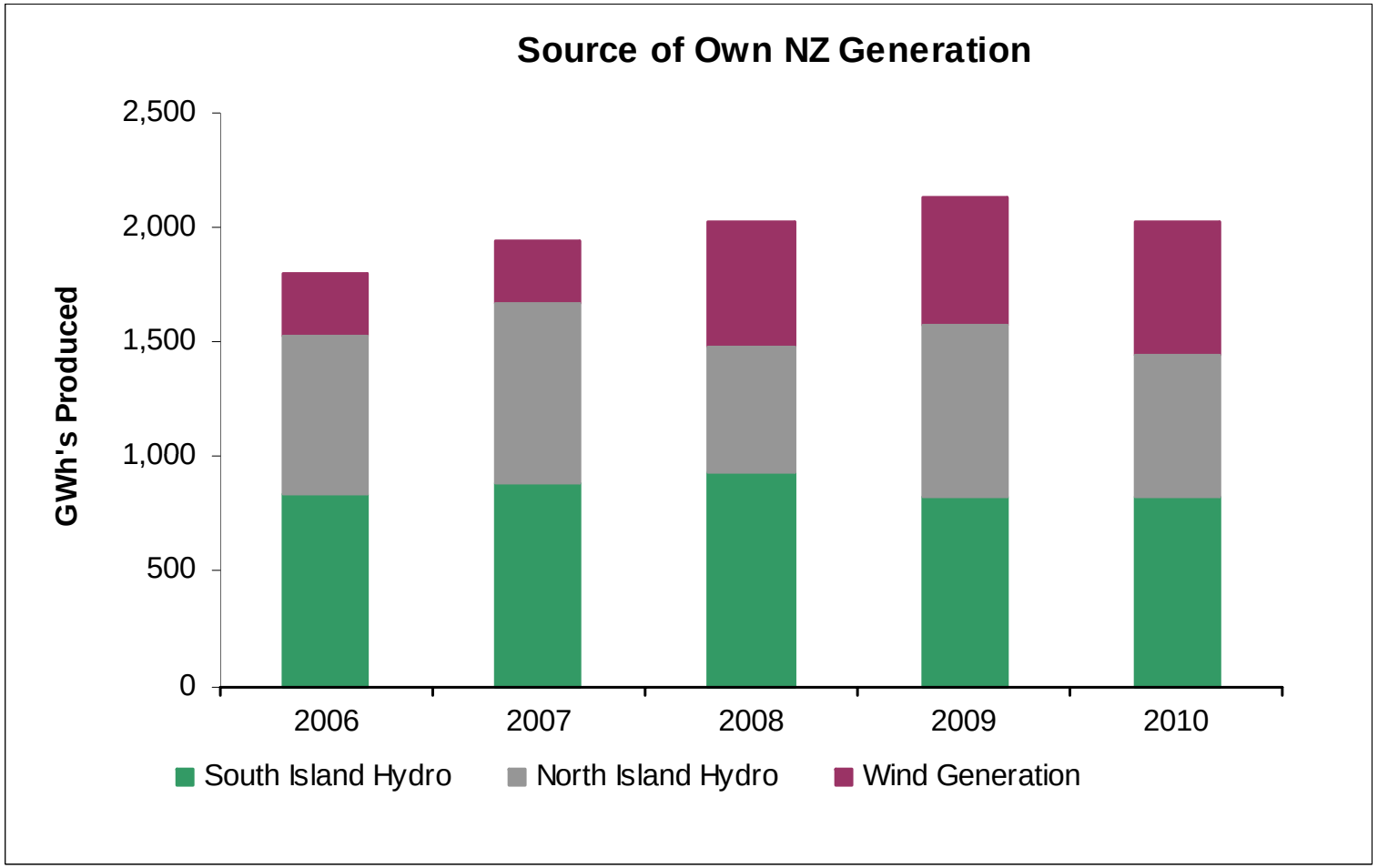
EBITDAF, Operating Cash Flow & Underlying Earnings After Tax



Sources of Own Generation



TrustPower Generation Assets

TrustPower's New Zealand Generation Assets		
Assets	**Generation Capacity (MW)**	**Average Annual Output (GWh)**
North Island		
Bay of Plenty Hydro	151	567
Taranaki Hydro	41	146
Tararua Wind	161	620
TOTAL North Island	353	1,333
South Island		
Nelson / Marlborough Hydro	45	243
West Coast Hydro	19	90
Canterbury Hydro	66	350
Otago Hydro	102	244
TOTAL South Island	232	927
TOTAL NZ	**585**	**2,260**

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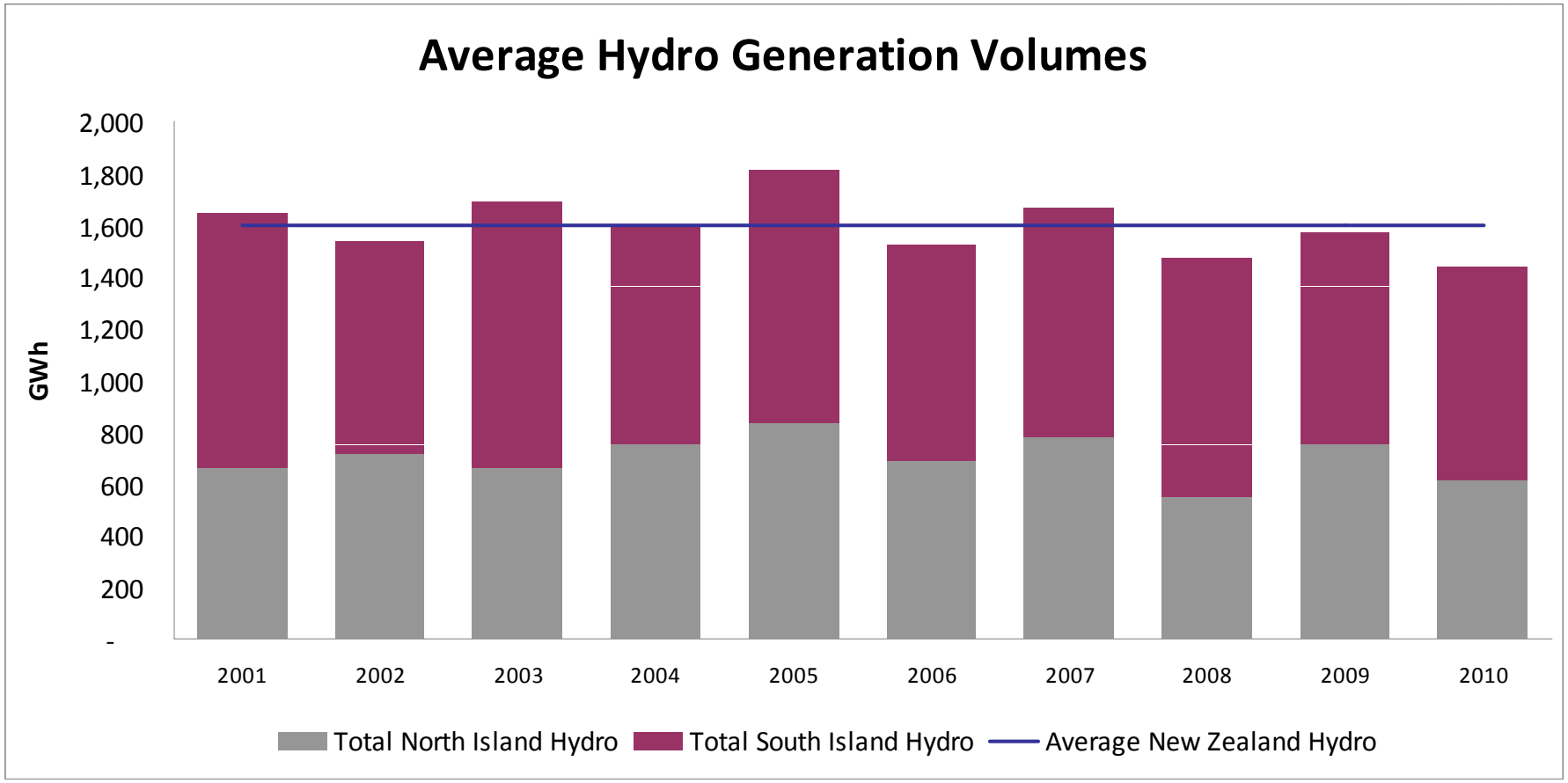
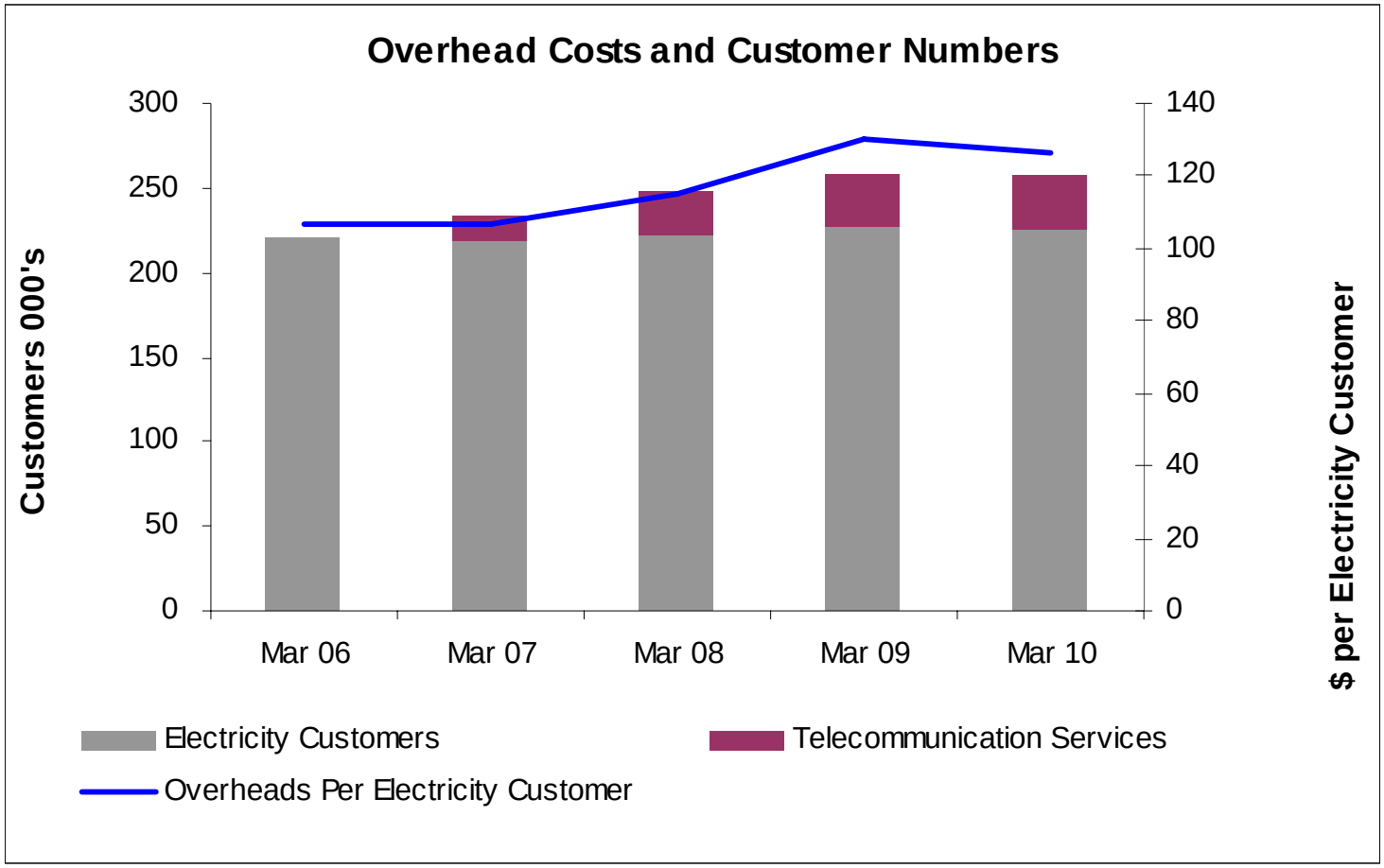
TrustPower's Hydro Generation – Last 10 Years



Overhead Costs and Customer Numbers



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Current Sources of Debt Funding

Funding Source	Committed Amount	Maturity	Tranches
Banks - NZD / AUD	NZD 225m**	2011	3
Banks - NZD	NZD 125m	2012	1
AUD Bank Facility	AUD 180m*	2013	1
Amortising ECA Backed Funding	NZD 91m	2020	1
Senior Bonds	NZD 140m	2014-2016	2
Subordinated Bonds	NZD 263m	Sept 2012 - Dec 2015	3
Total NZD Committed Facilities	**NZD 1070m**		

Group Net Debt NZD 725.8 m at March 2010. Peak forecast next 12 months is NZD 815m

*Committed offers accepted to extend facility maturing September 2010 to July 2013 plus AUD 20m increase

**To be increased by NZD 45m as part of 2010 refinancing

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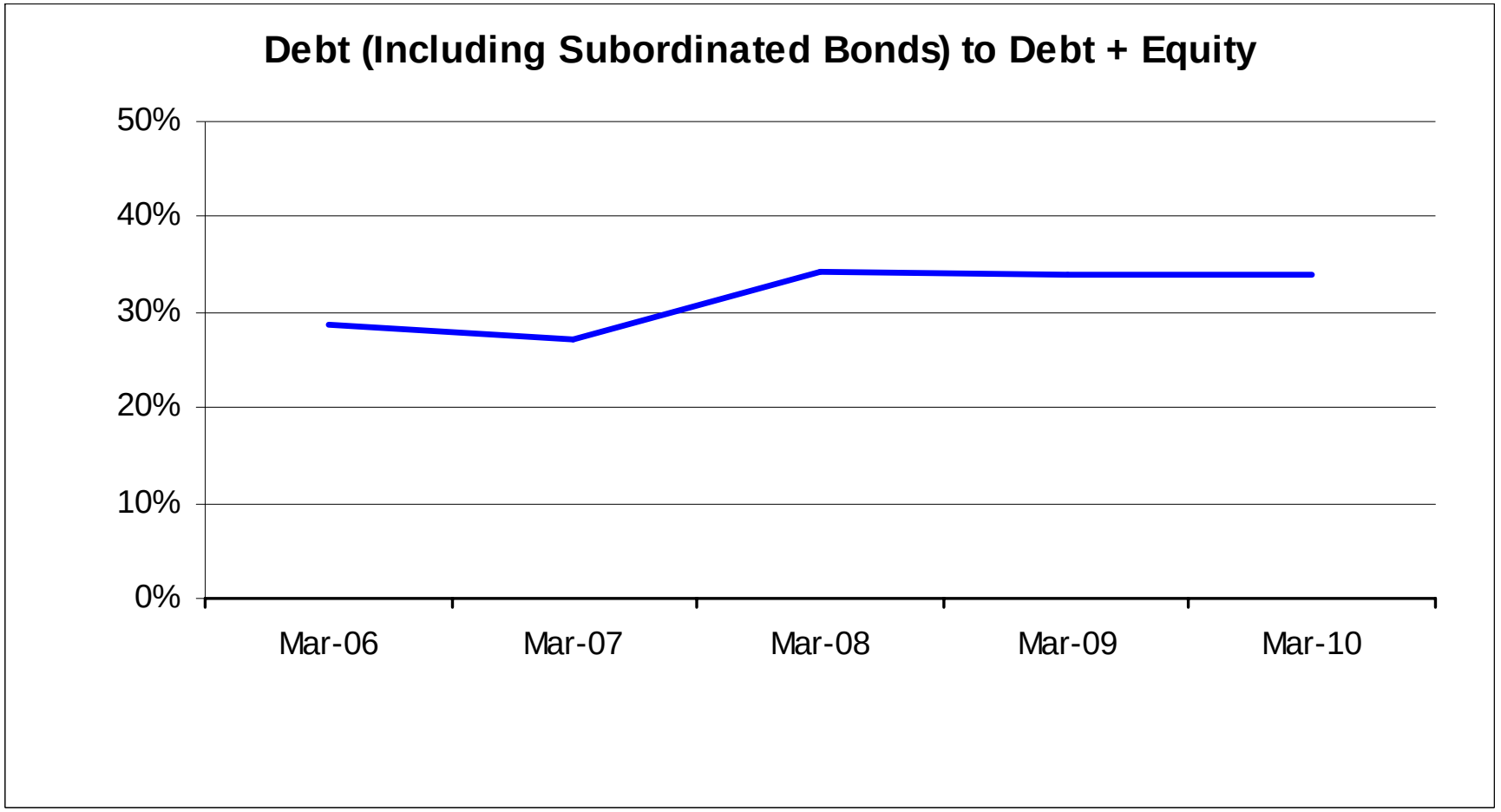
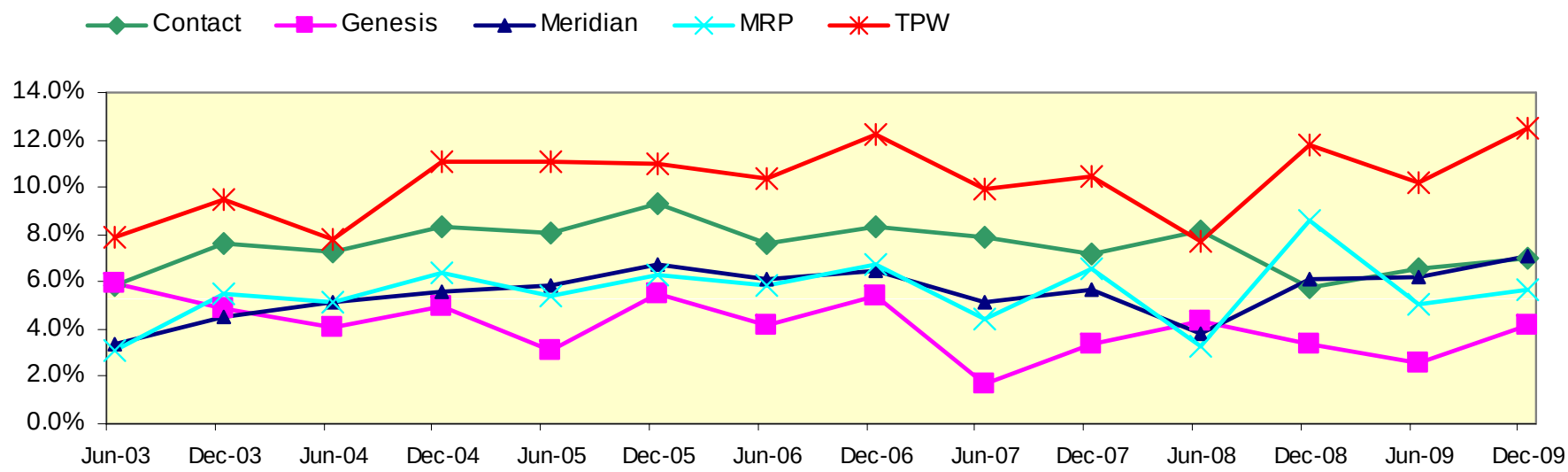
Gearing Remains at Comfortable Levels



Competitor Benchmarking
TrustPower Outperforms

EBITDA Return on Adjusted Capital



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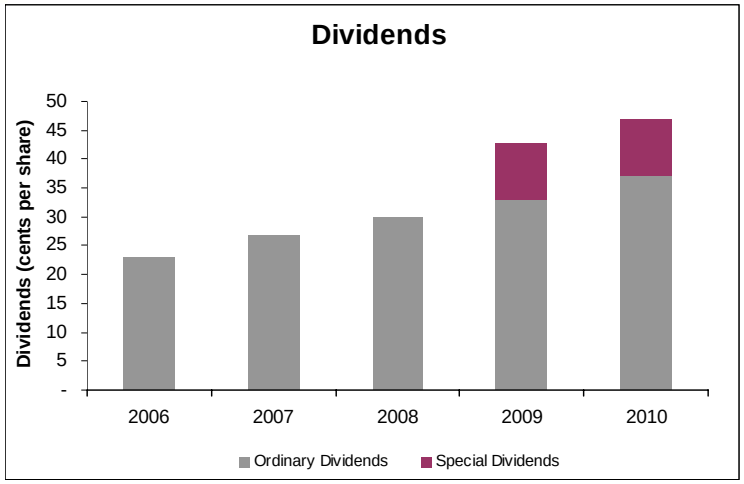
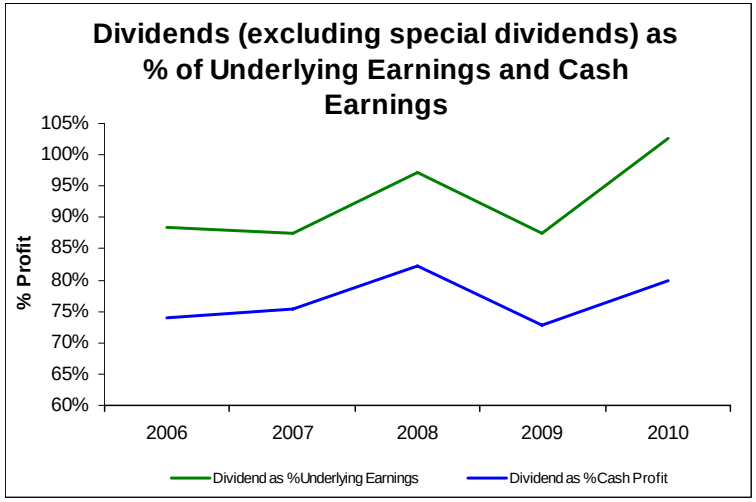
Dividends

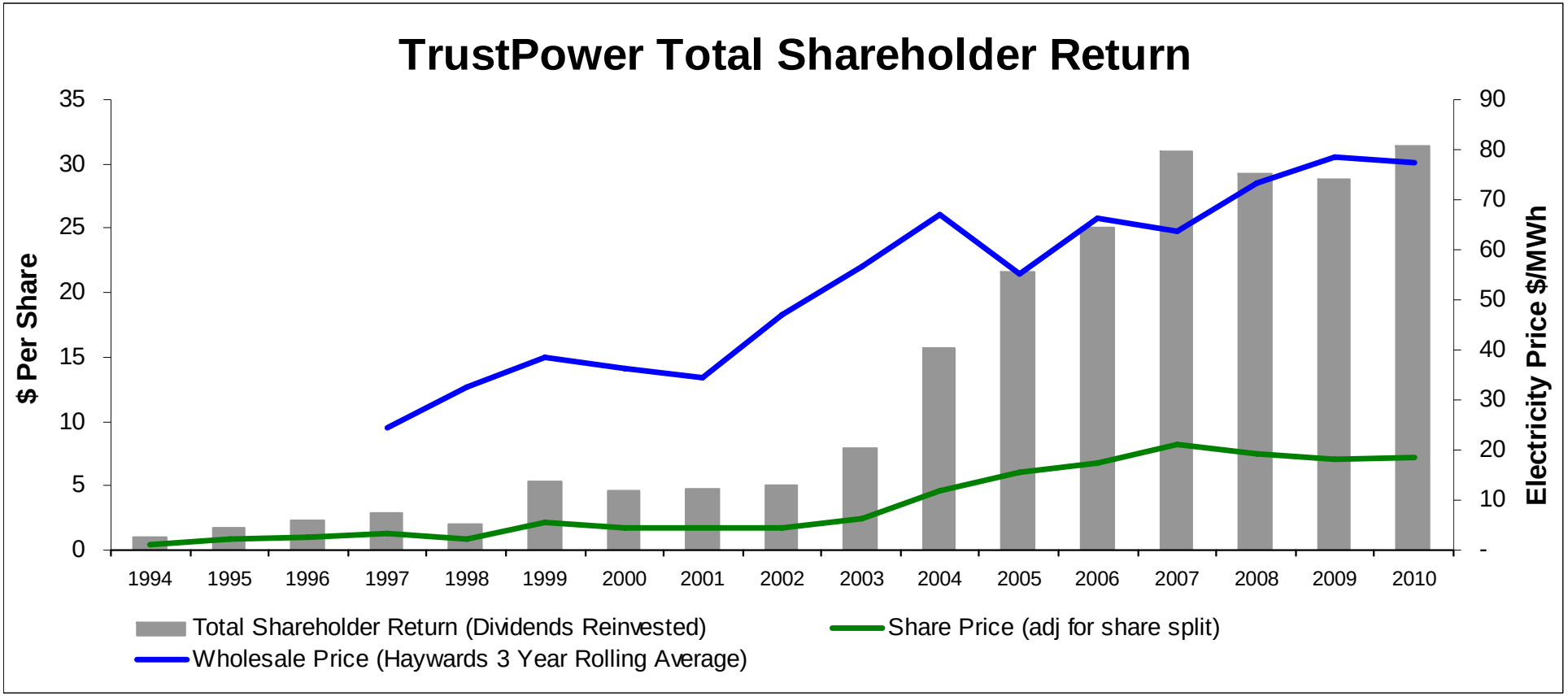




- A final dividend of 19cps announced payable 11 June 2010
- Total dividend for the year of 38 cps represents growth of 15%

- Unimputed special dividend of 10cps paid June 2009

TrustPower Total Shareholder Return since 1994

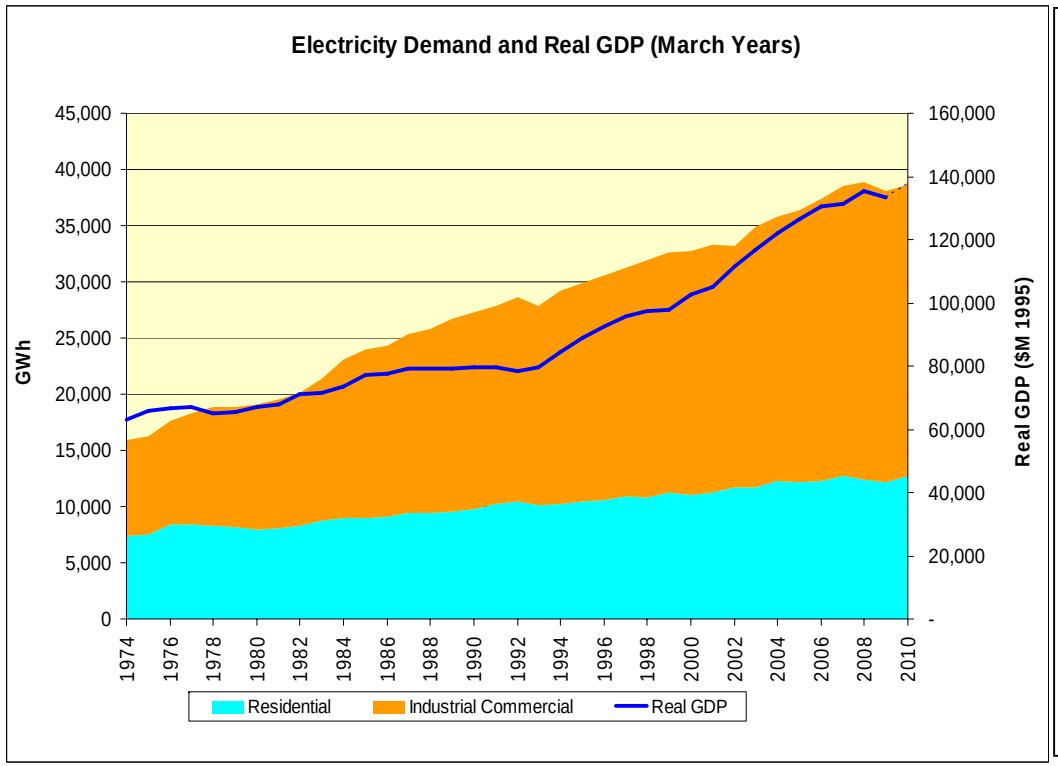


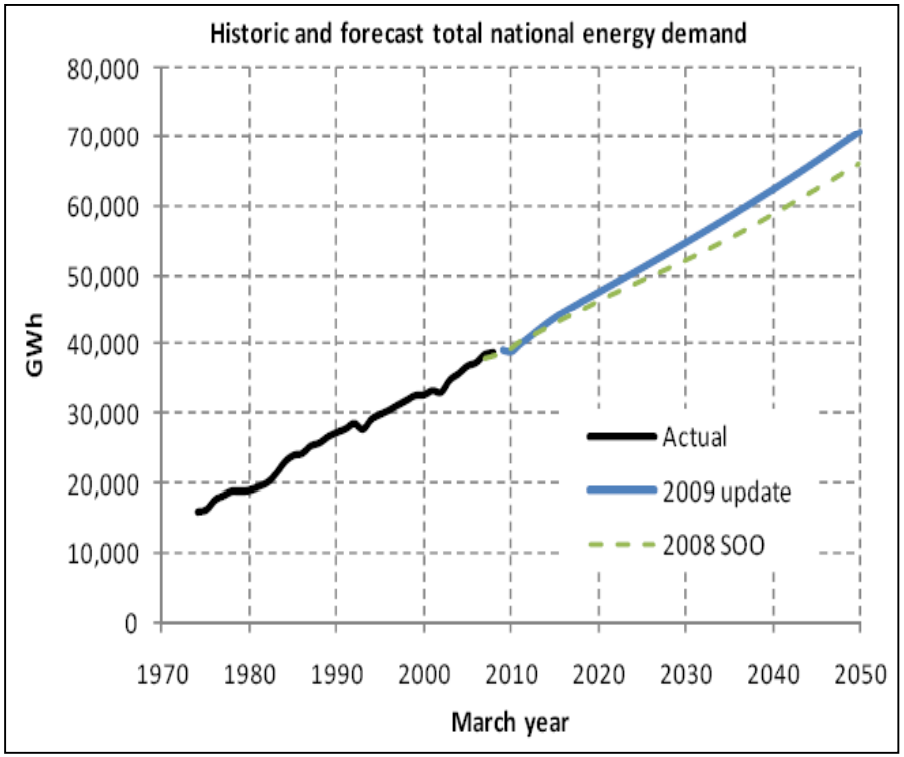
- 10 Year compound TSR of 34%
- 5 Year compound TSR of 17%

Regulatory Update - NZ

Ministerial Review	• Asset Swaps between Meridian and Genesis • Long term hedging arrangements between SOEs to promote greater retail competition • Development of liquid hedge market • Scarcity pricing to encourage peaking generation investment • Investigate ways to reduce transmission constraint risks
Emissions Trading Scheme	• Government confirmed commitment • 1 July 2010 for Stationary Energy
Electricity Commission	• Electricity Industry Authority to be established by September 2010 • HVDC Transmission pricing methodology under review but unlikely to be completed pre formation of EIA

Forecast Demand Underpins Price Path





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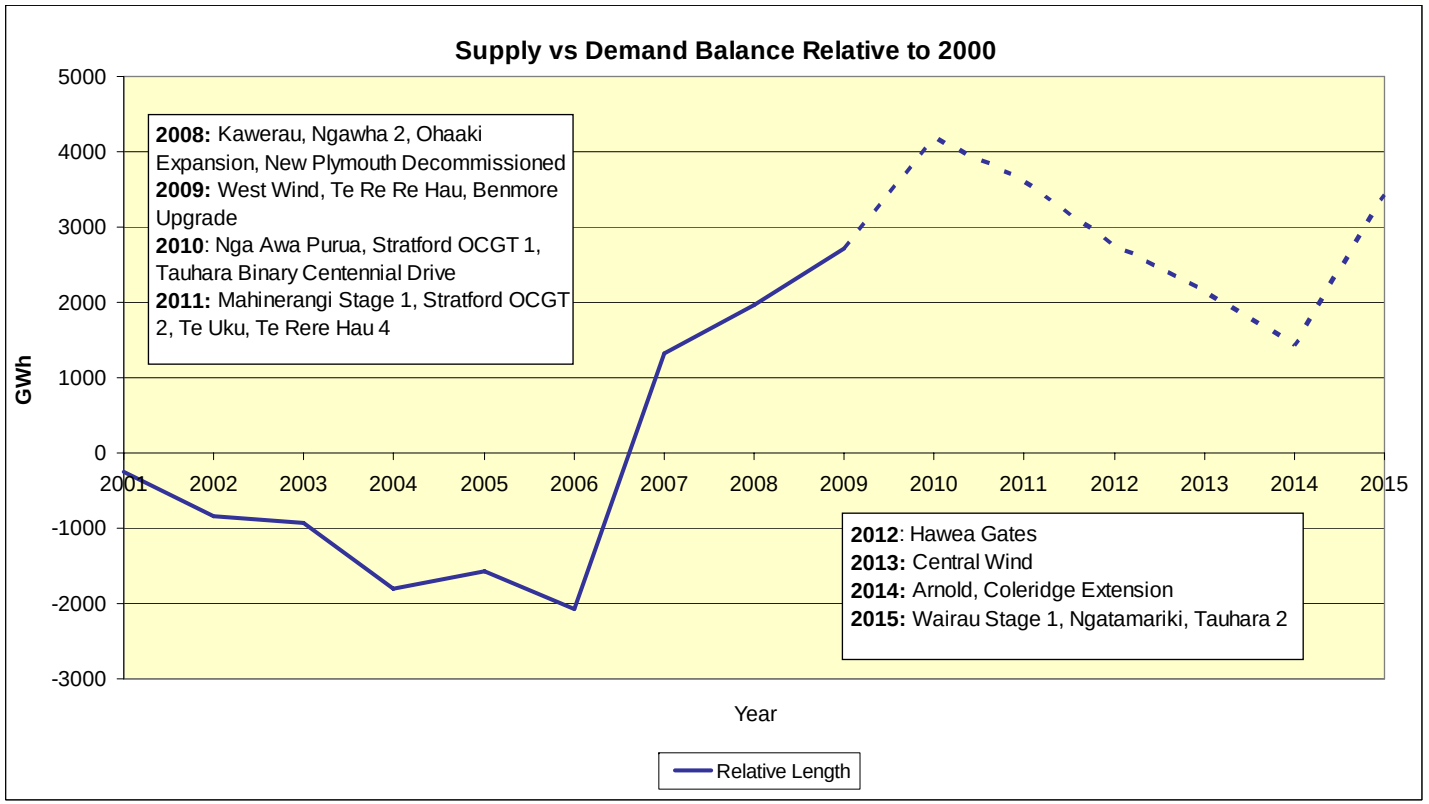
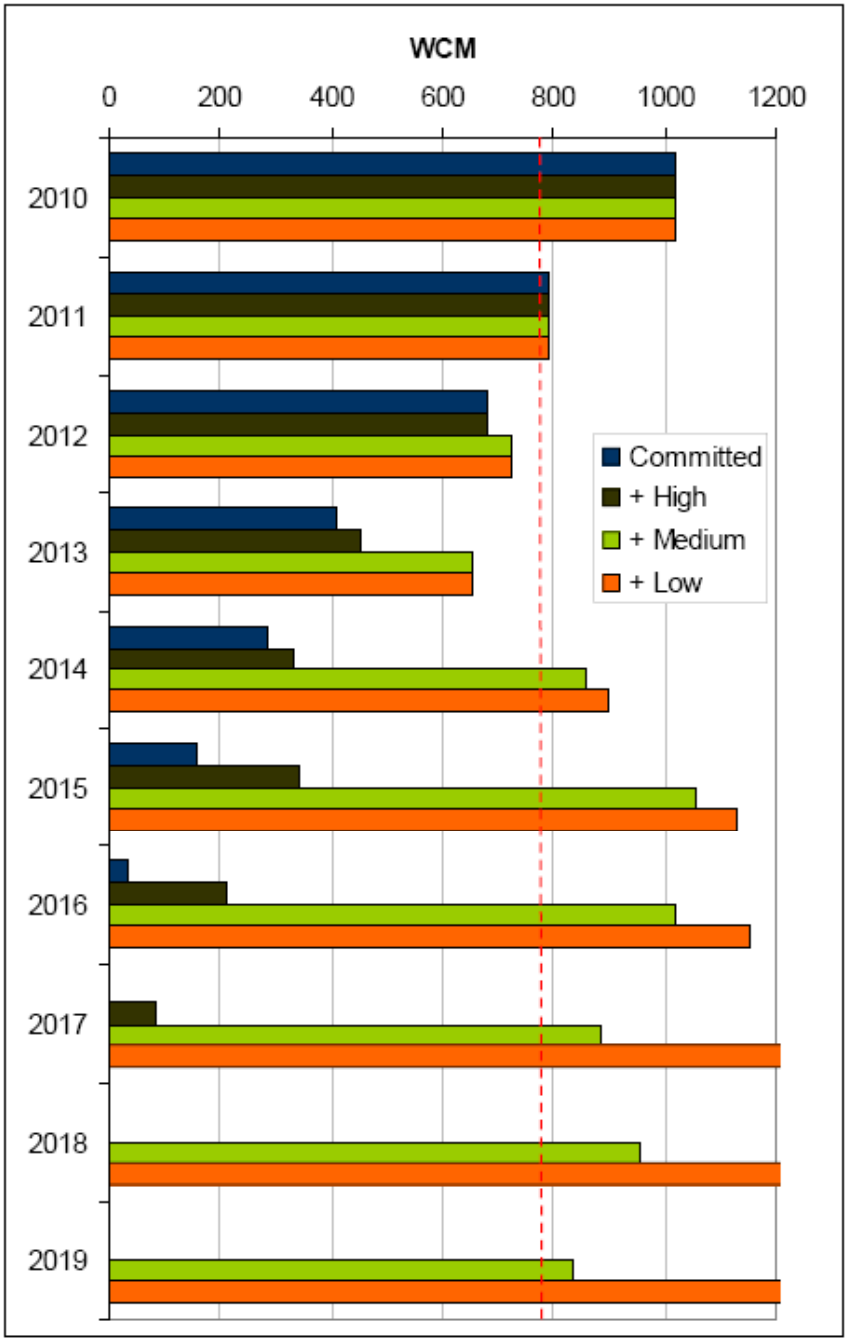
NZ Supply Demand Balance



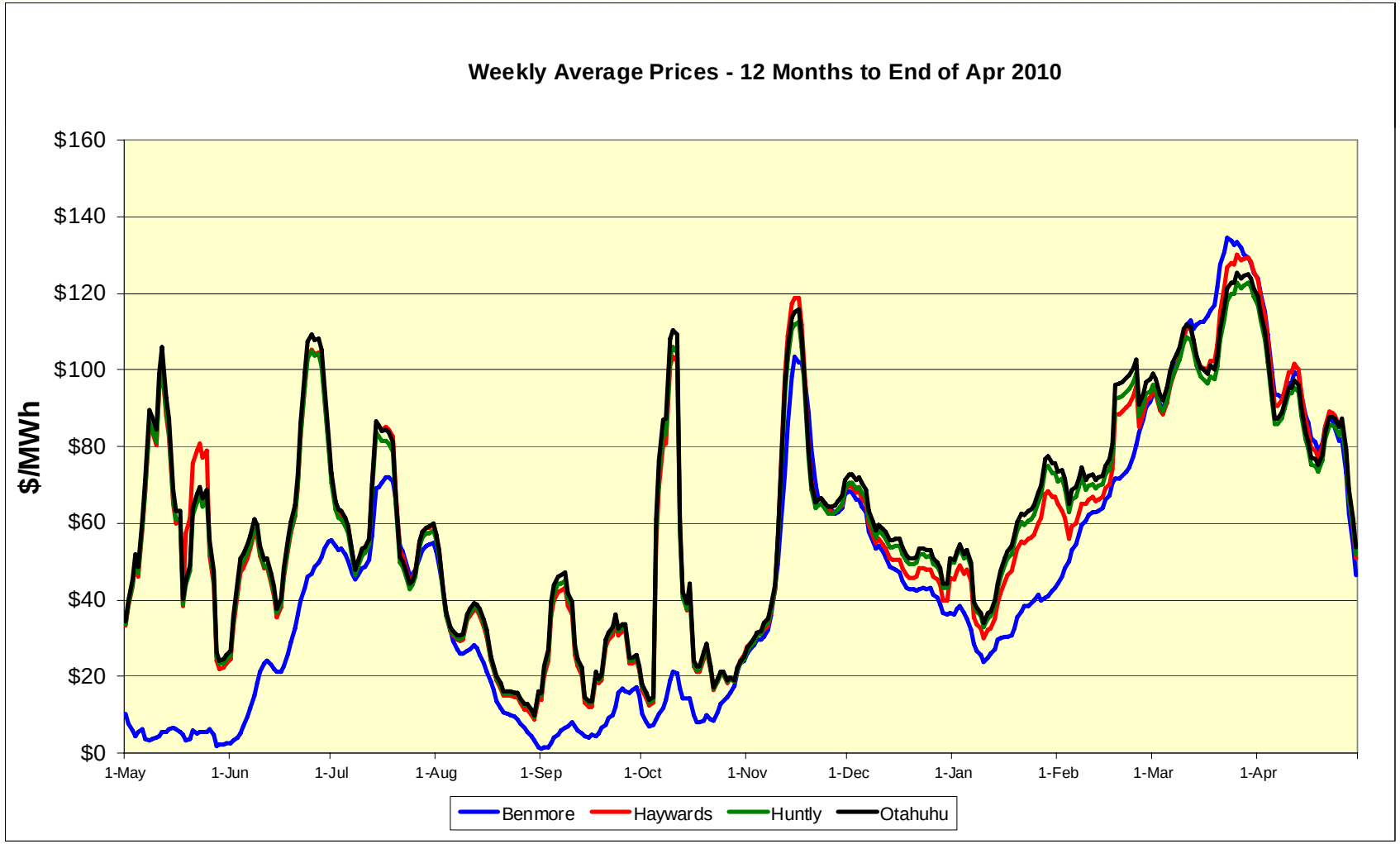
- Change in National Demand / Supply balance using 2001 as the base year assuming 2% load growth
- Recently completed generation projects and those under construction are expected to provide modest excess supply for 2010 and 2011 but need to put in context of total 2009 national demand of circa 38,000 GWh

Capacity Margins are Tightening

- Capacity margins are becoming tight in the short term
- 100MW extra base load needs 25MW extra capacity on average (2:1 for domestic shape)



NZ Electricity 7 Day Rolling Spot Prices – last 12 months
Increased Volatility in Prices



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Increased Volatility Offers Development Opportunities for Existing Hydro Assets

Increasing price volatility coupled with additional base load (particularly geothermal and wind) will enhance the value of capacity and peaking ability

Capacity Enhancement

- Potential 170 MW of increased capacity in existing assets
- Up to 60 MW in short to medium term
- Transmission pricing methodology likely to change in favour of SI peaking

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Implications of Regulatory Change

• Whirinaki to $5000/MWh ($10/MWh based on 2009) • Scarcity pricing • Conservative hydro bidding • Carbon • Capacity constraints • Fuel costs	• Wholesale price uplift • Conservation campaign payments
Wholesale Price	**Retail Price**
• Short term energy balance • Low cost geothermal developments (short term)	• SOE swaps

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Regulatory Update – Australia

Australian MRET Legislation	• MRET target increased from 9,500GWh pa to 45,000GWH pa by 2020 (increase equivalent to 12,000MW of new wind) • REC shortfall penalty to increase to $65MWh post tax • Scheme in place until 2030 • Awaiting legislation of policy amendments to split RECs attributable to small renewable technologies (e.g. solar heating) from large renewable technologies (e.g. wind)
Australian CPRS	• Unable to pass through Australian Senate • Now delayed until 2013

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Australia – Generation Development

Snowtown Stage II

- Variation of existing planning consent required
  - 19 additional turbines
  - Changes to some original turbine locations following detailed ecological studies
  - Alternative transmission route
- Up to 214 MW expansion being assessed
- Transmission studies to be completed during 2010
- Investment structure, PPA counterparties to be progressed

Other Sites

- Targeting 10-12 sites with good development potential NSW, VIC, SA and WA

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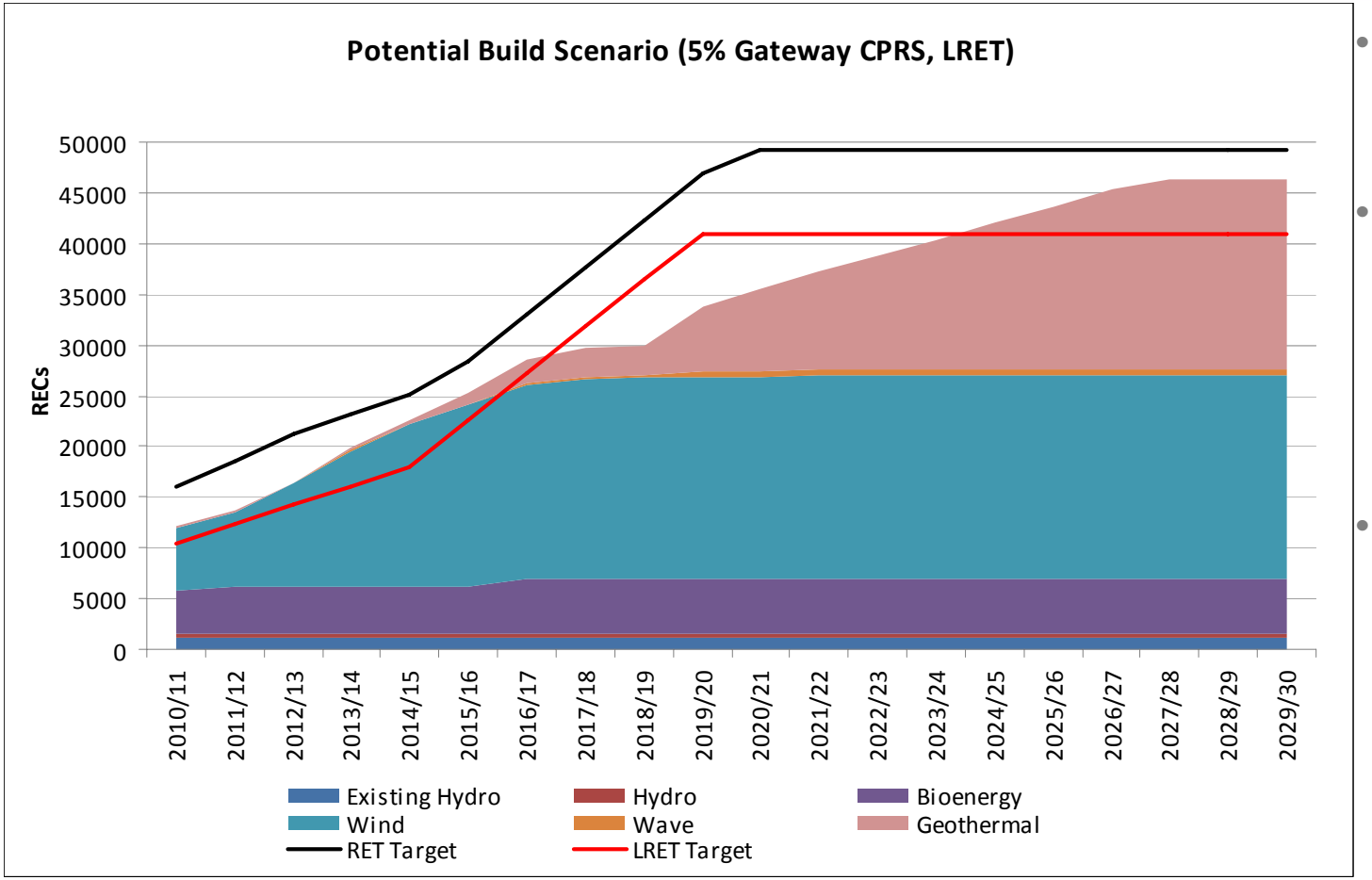
Australian Wind Development Likely to be Significant



- 15,000 GWh additional wind, though “hot-rocks” geothermal unproven
- Desktop ranking places six TrustPower options (3600 GWh) in the “best placed” category, including Snowtown II ranked second
- TPW has a range of possible monetisation options

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Mahinerangi Stage I

Capacity:	36MW
Commissioning:	May 2011
Wind Turbines:	Vestas V90
Capital Cost:	Circa NZD 75m
Expected Output:	105 GWh pa
Project IRR:	>12%
Transmission:	Embedded into Local Network
Currency Hedging:	Completed at favourable rates

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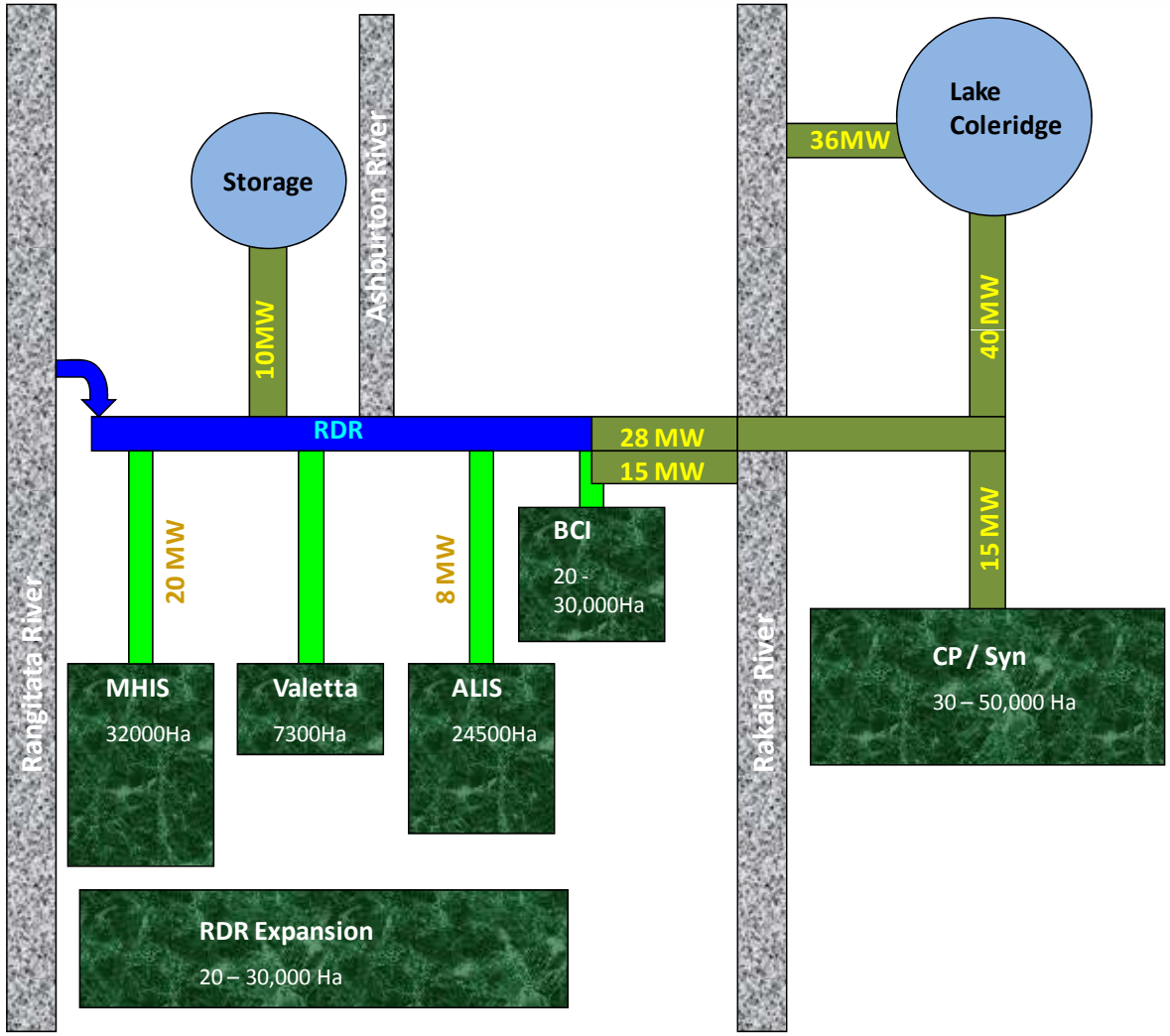
Coleridge Project Schematic



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Strategic Focus Summary

- Generation Development
  - Advance Canterbury Hydro / Irrigation opportunity
  - Complete resource consents for Arnold and Wairau hydro schemes
  - Construction of Mahinerangi Wind Stage I
  - Complete Highbank Pumping project
- Australia
  - Pursue opportunities that align with further expansion of Snowtown
  - Progress up to 10-12 wind sites in NSW , VIC, SA and WA with good development potential
- Protect TrustPower's Premium Retail Position
- Customer Information Systems replacement

FY11 Outlook

- Retail Pricing – expect retail price rises of 3-4% across mass market customers
- Expect high level of retail competition in the South Island which may force reallocation of product between mass market and ToU with some margin impact
- Generation Development expenditure – expect up to NZD 9m to be expensed in FY11
- Forecast CAPEX NZD 125m includes: Mahinerangi Stage I, Highbank Pumping, Stay in Business CAPEX, Retail IT