



MEDIA RELEASE

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MIGHTY RIVER POWER – FY2012 EARNINGS GUIDANCE

Mighty River Power today announced earnings (EBITDAF) guidance for FY2012 in the range of \$430 million to \$450 million. This compares with strong operating earnings of \$443.1 million in FY2011, which benefited from favourable hydrology that was 10% higher than the long-run average.

Mighty River Power Chair, Joan Withers, said the guidance reflected the forward view of wholesale and retail markets, was based on normalised hydrology in the Waikato River catchment and the ongoing reliable operation of the Company's geothermal stations.

Mrs Withers said geothermal production – that was not affected by climatic conditions – now contributed more than 30% of Mighty River Power's annual generation. This, coupled with operating flexibility at the Company's Southdown gas-generation plant and new inter-generator hedging arrangements, meant the Company's earnings were now less influenced by hydro volatility.

ENDS

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About Mighty River Power

Mighty River Power is a New Zealand electricity company, with a flexible portfolio of electricity generation assets, a strong national retail presence and a focus on domestic generation and international geothermal development opportunities. More than 90% of our generation is from renewable sources. We supply both electricity and thermal energy to major commercial users and have about 20% of New Zealand's retail market with our brands, Mercury Energy, Bosco Connect and Tiny Mighty Power.

Mighty River Power was named in four categories at both the 2011 and 2010 Deloitte Energy Excellence Awards, and was recognised for Overall Energy Company and Project of the Year (Nga Awa Purua) in 2010. Retail brand, Mercury Energy, currently holds the 2011 award for Retailer of the Year.