



Contact Energy Geothermal Update

New Zealand Geothermal Association

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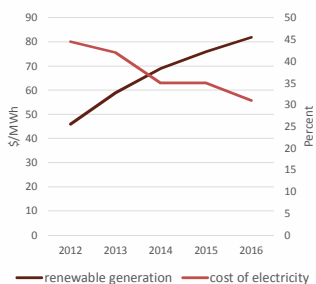
This presentation may contain projections or forward looking statements regarding a variety of items. Such forward-looking statements are based upon current expectations and involve risks and uncertainties.

Actual results may differ materially from those stated in any forward-looking statement based on a number of important factors and risks.

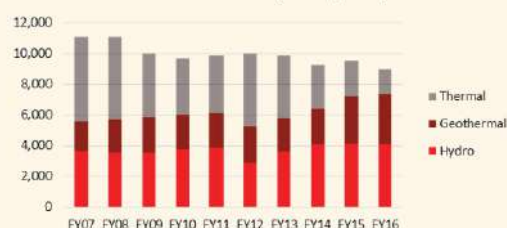
Although management may indicate and believe that the assumptions underlying the forward-looking statements are reasonable, any of the assumptions could prove inaccurate or incorrect and, therefore, there can be no assurance that the results contemplated in the forward-looking statements will be realised.

Highlights – Generation

Renewable Energy and Cost of Electricity



Contact Generation by Fuel (GWh)

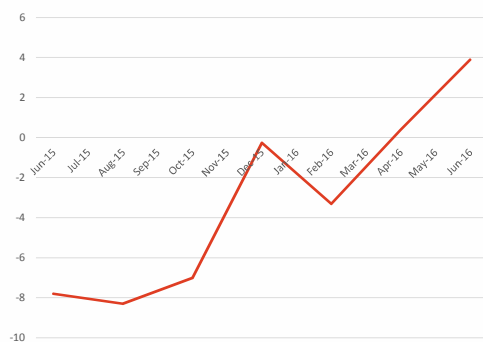


- Total generation 9,002 GWh
- % renewables up to 82%
- Cost of electricity down to \$32/MWh

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Highlights – Customer

Our Net Promotor Score

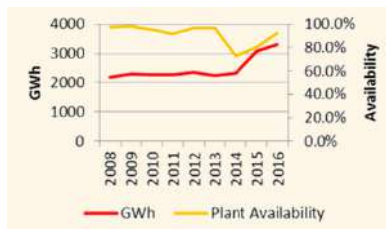


- Our customer numbers and service levels are improving

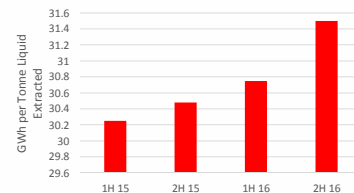


Highlights – Geothermal Operating Highlights

CEN Geothermal Generation



Electricity Conversion Efficiency



- Generation a record high
- Plant availability returns to norms
- Electricity conversion efficiency improving

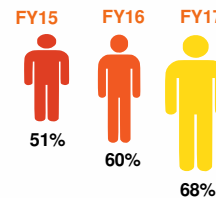
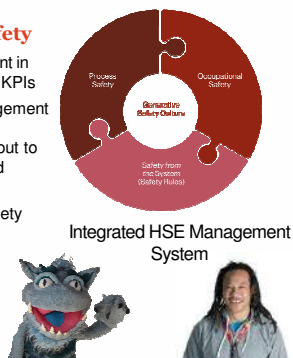
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Safe to Run is driving improvement

- » Our world class process safety improvement programme, Safe to Run, is driving core improvements with some surprising upsides

Process safety

- Improvement in Dashboard KPIs
- New Management of Change process about to be launched
- Lower level process safety incident reporting growing



Overall, massively more positive than last year.

Signs of continuous improvement emerging. Silos reducing and opportunity to do better yet.

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Improving the efficiency of our geothermal business with our capability

- » Geothermal has become an increasingly important contributor to Contact's earnings since FY12

\$111m

FY12 geothermal
EBITDAF

\$181m

FY16 geothermal
EBITDAF

22%

of Contact FY12
underlying EBITDAF

33%

of Contact FY16
underlying EBITDAF

- » We are looking to expand geothermal energy to large scale direct use.

This will:

- » Expand local employment;
- » Strengthen grid based power demand; and
- » Increase NZ exports.

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In summary, most of Contact's value is derived from its generation portfolio



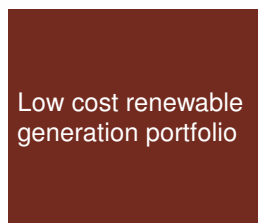
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Discretionary
thermal generation



03

Strong internalised
risk management



02

Low cost renewable
generation portfolio



04

Balanced wholesale
market



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