



Market Announcement  
Friday, 30 July 2010

**TrustPower Limited First Quarter Operating Results for the Three Months Ended 30 June 2010**

TrustPower's operating statistics for the quarter ended 30 June 2010 together with prior period comparatives are provided at the end of this announcement.

The first quarter of the 2011 financial year has seen lower than average wholesale electricity prices due to above average hydro storage levels across the country.

TrustPower's New Zealand generation production was 556 GWh in the first quarter, 14 per cent above same period last year and in line with expected long term average production.

New Zealand hydro storage levels have fallen close to long term average during July and wholesale spot electricity prices have begun to firm as a result.

The Snowtown Wind Farm produced 68 GWh during the first quarter which was down 16 per cent on prior period and 22 per cent down of long term expectation due to poor wind conditions during April and June.

Mass market customer sales were down 7 per cent for the first quarter compared with the first quarter of the prior period due to the impact of lower customer numbers and lower average usage due to milder temperatures during the current quarter. In contrast, Time of Use sales were up 6 per cent compared with prior period as TrustPower successfully placed more product into this market.

Following the Budget Announcement in May 2010, TrustPower has been assessing the likely impact of the change in company tax rate and the removal of depreciation for long life buildings both of which will take effect from 1 April 2011. The impact of these changes for the 2012 financial year onwards is estimated to be an increase in net profit after tax of \$2.4 million.

There will also be a one-off adjustment to deferred tax liabilities which will occur in the current financial year. Further analysis is required to determine how buildings which are integrated with generation equipment will be impacted by the change to tax depreciation rules. At this stage it is expected that a one-off non cash adjustment to tax expense will be required to be made in the current financial year which could reduce net profit after tax by up to \$9 million.

While it is too early to make predictions with respect to TrustPower's full year trading result the Directors are satisfied with the Company's year-to-date trading performance.

A handwritten signature in blue ink, appearing to read "B. J. Harker".

**BJ HARKER**  
**CHAIRMAN**

	<b>3 Months June 2010</b>	<b>3 Months June 2009</b>	<b>12 Months March 2010</b>
<b>Operating Statistics</b>			
Electricity customer numbers (000's)	221	228	225
Telecommunication services provided (000's)	34	30	33
Mass market sales (GWh)	506	543	2,057
Time of use sales (GWh)	543	512	2,046
<b>Total customer sales (GWh)</b>	<b>1,049</b>	<b>1,055</b>	<b>4,103</b>
Weighted average spot price of electricity purchased (\$/MWh)	58	50	56
North Island hydro generation production (GWh)	160	130	615
South Island hydro generation production (GWh)	262	233	820
Total hydro generation production (GWh)	422	362	1,435
Wind generation production (GWh)	134	125	582
<b>Total New Zealand generation production (GWh)</b>	<b>556</b>	<b>488</b>	<b>2,017</b>
Weighted average spot price of electricity generated (\$/MWh)	52	43	50
Australian wind production (GWh)	68	79	373
Resource consent non-compliance events	1	2	5
Staff numbers (full time equivalents)	417	403	411

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