Trustpower

Investor presentation for the year ended 31 March 2020 | 27 May 2020

Contents

GOVERNANCE OVERVIEW

Our response to the COVID 19 pandemic – a view from the Board

The Board has been pleased with the company's response to the COVID 19 pandemic

An efficient transition

- Trustpower has for some time being developing the systems and people capability to be adaptive and responsive to change. These were put to the test when the country went into lockdown
- The company was able to swiftly transition to a working from home mode which kept our people safe but also ensured our generation capacity and customer service were maintained.

Focus on customers

- We made over 10,000 outbound calls to our elderly and vulnerable customers to check on their wellbeing and offer support.
- Proactive systems and processes were set up to support customers in hardship

Community fund

- The Board and Senior Leadership Team have agreed to establish a community fund by donating 10% of their FY21 earnings. This reflects the long term support for our communities which is part of Trustpower's DNA

Governance overview

Trustpower retains focus on strong governance

Chief Executive

- David Prentice has been appointed to the role of Chief Executive until December 2021.
  - In these times of disruption and uncertainty the Board considered it important that the company have the longer term commitment of a positive and capable leader.
  - David brings a wealth of leadership experience from his role as CEO and Managing Director of Opus International Consultants and valuable insight into the key factors influencing the electricity industry from his recent role as Chair of the Interim Climate Change Committee
  - He will remain as a non-independent director

Changes to the Board

- Sam Knowles has advised he will not be standing for re-election at the July Annual Meeting
- Geoff Swier has also advised he wishes to retire later in the year but will stay on the Board until a replacement is found

Trustpower demonstrates resilience and capability in COVID 19 pandemic

Our focus on our customers

- Over 10,000 proactive outbound calls to vulnerable and elderly customers to make sure they were OK
- Suspension of normal collection activity and active assistance for customers in hardship

Essential services uninterrupted

- All key internal systems (billing, collections, account management, payments, provisioning, data storage and access etc.) operating in work from home mode
- 834,000 customer contacts 91% serviced via digital channels
- All generation stations operating as expected with near normal levels of maintenance carried out
- Trustpower staff kept safe, connected and well informed
- Major incident process implemented including frequent meetings of Senior Leaders and the Board
- Bank facilities maturing in 2020 refinanced

Made possible by well practiced plans, high levels of automation and a long term commitment to developing staff at all levels with the capability to take leadership

LEADERSHIP TEAM


Kevin Baker
Director


Peter Calderwood
General Manager Strategy and Growth


Simon Clarke
General Manager Technology & Delivery


Melanie Dyer
General Manager People and Culture


Stephen Fraser
General Manager Generation


Sam Knowles
Director


Craig Neustroski
General Manager Markets


Kevin Palmer
Chief Financial Officer and Company Secretary


Susan Peterson
Director


David Prentice
Chief Executive and Director


Paul Ridley-Smith
Chair


Fiona Smith
General Manager Customer Operations


Geoff Swier
Director


Keith Turner
Director

2020 SNAPSHOT

$186.4m Group EBITDAF ⬇16%

$97.6m Group NPAT ⬆3%

Over 104,000 Telco Customers ⬆8%

1,759 GWh generation volumes ⬇12%

$35.3m Retail EBITDAF ⬇45%

$154.2m Generation EBITDAF ⬇10%

73% of telco connections are fibre

STRATEGIC UPDATE

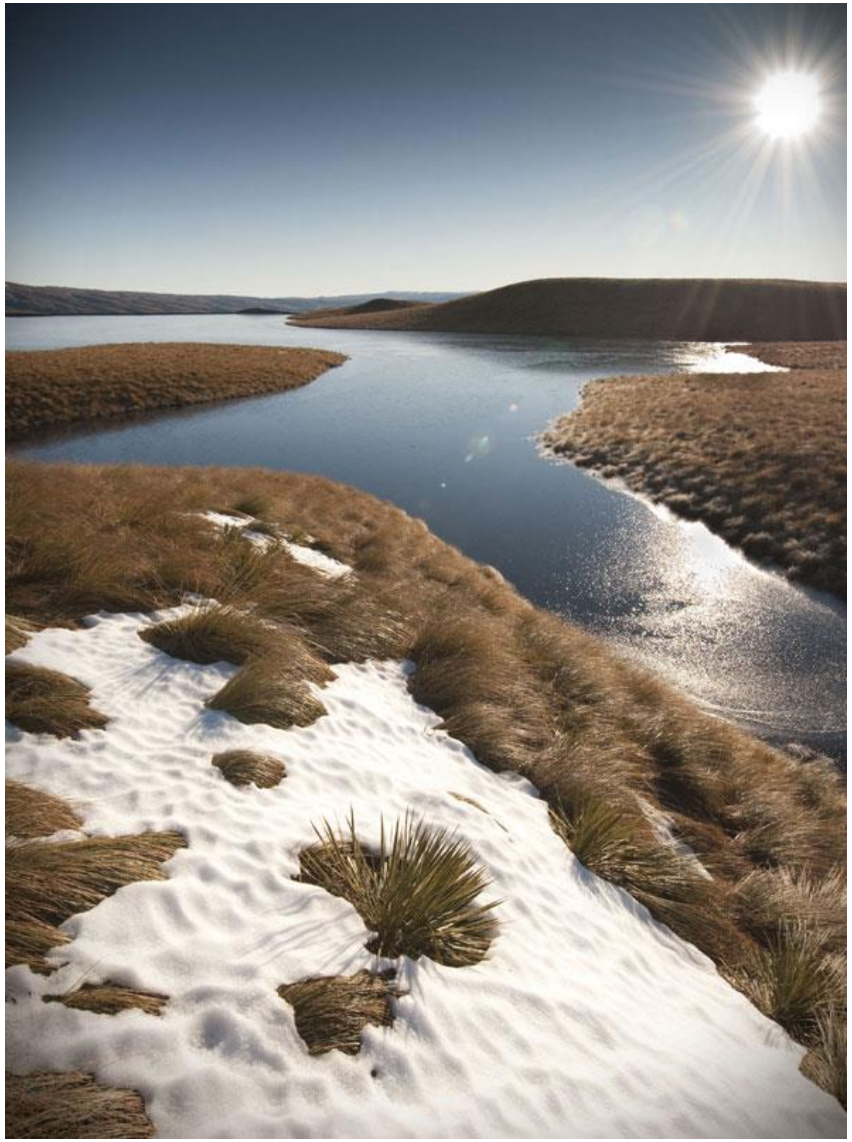
Macro environmental factors

Key factors

The external macro environment affecting Trustpower's performance are:

- Weather
- The supply/demand balance for electricity
- Retail competition
- Demand for data and digital interaction
- Changes in regulatory/social expectations

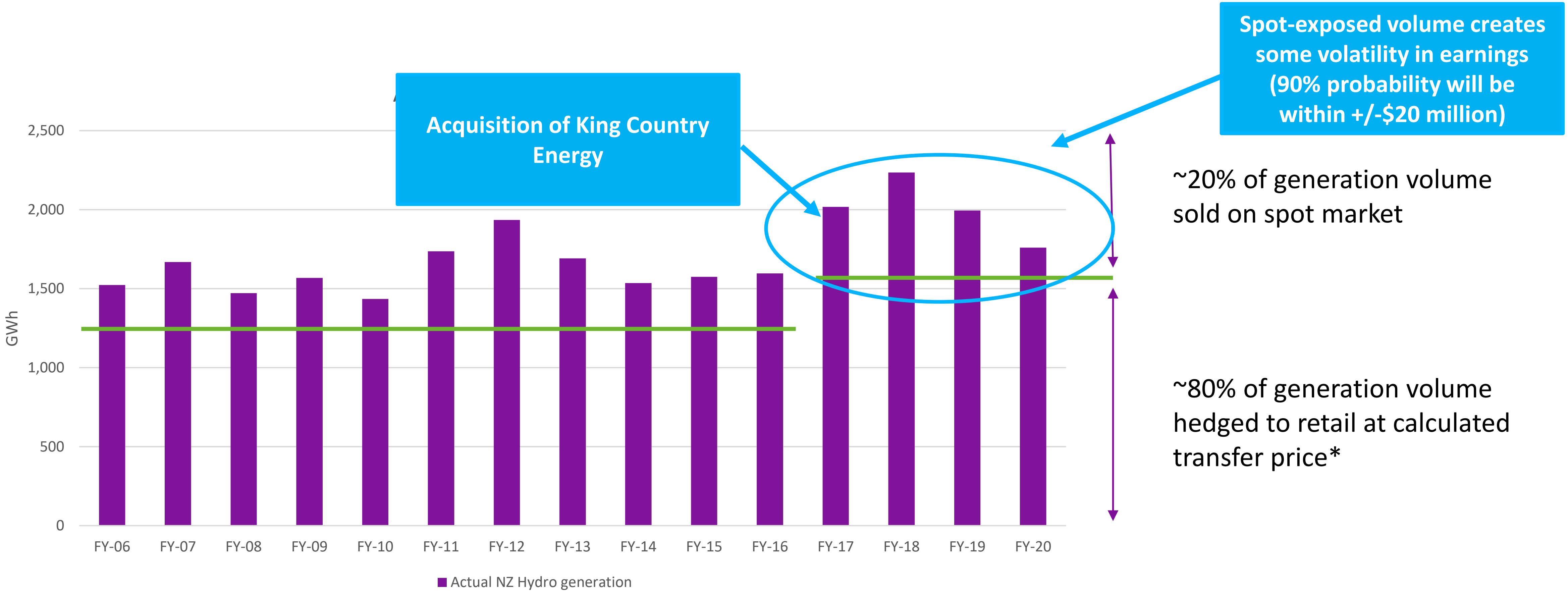
Each of these factors is discussed in the following slides



Deep stream

Weather

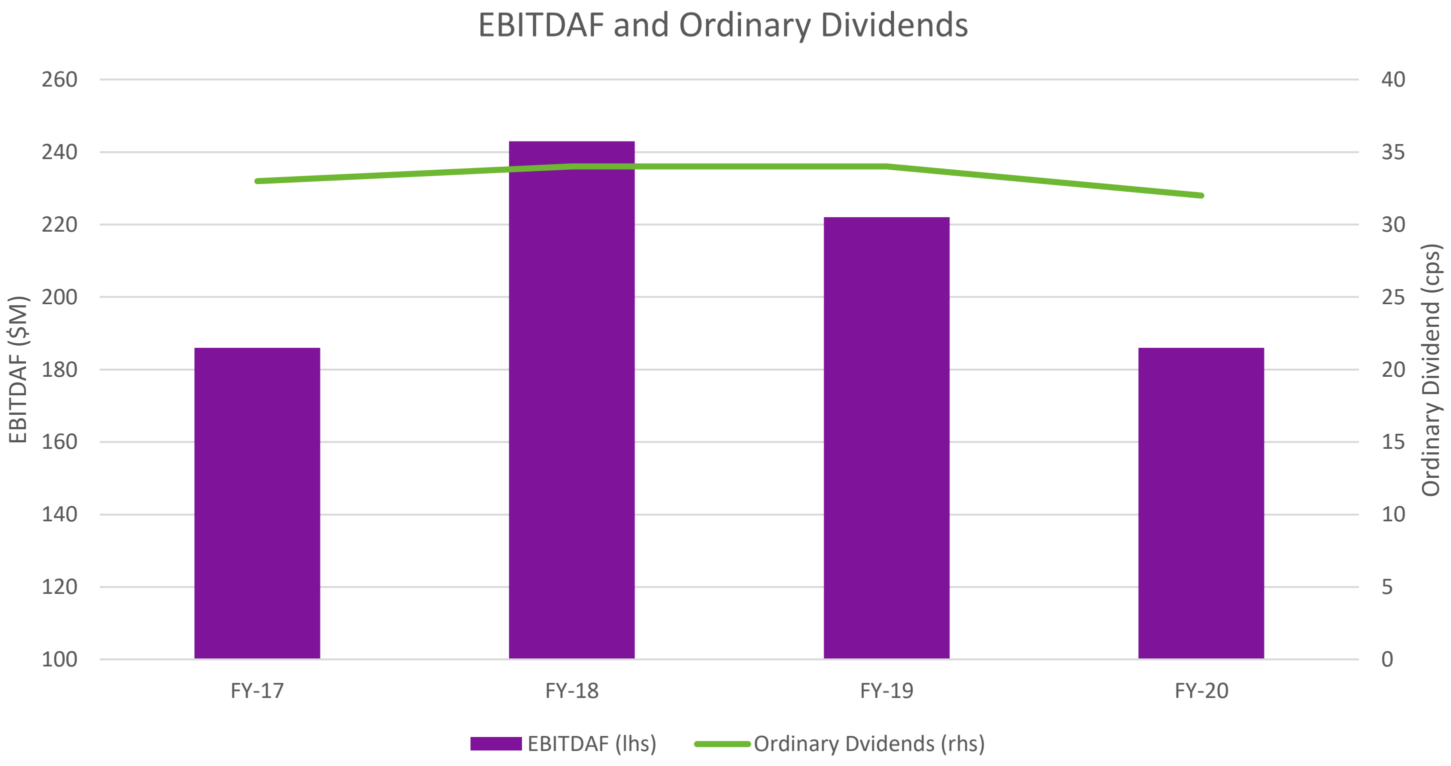
Hydro generation revenue can fluctuate depending on inflows and wholesale prices



* Further details of hedging approach are shown in slide 51

Trustpower absorbs weather volatility

Despite a level of volatility of earnings caused primarily by weather impacts Trustpower has maintained stable dividends



Electricity demand

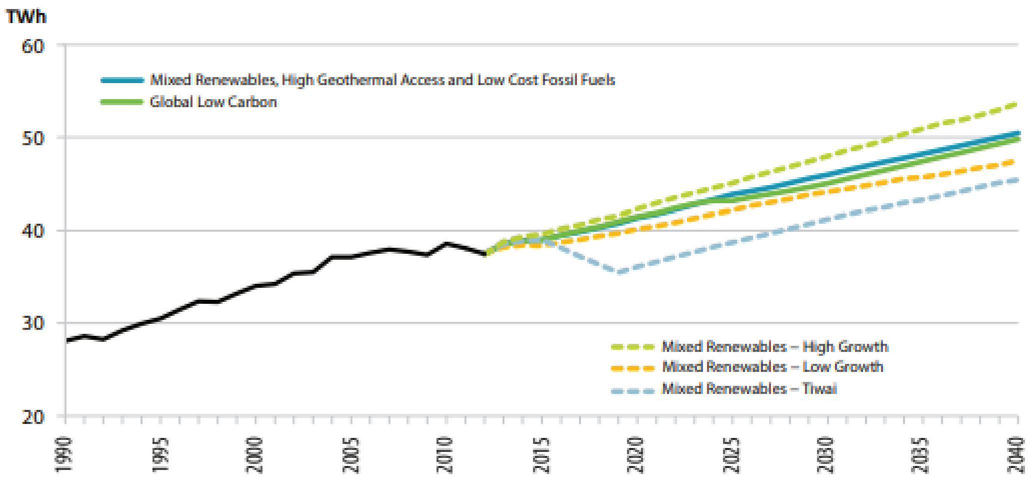
Key convictions

Short term prices are impacted primarily by weather however longer term pricing is impacted by expectations of demand.

If demand is expected to exceed supply then wholesale prices will move in a average year to the level required to encourage new generation to be built.

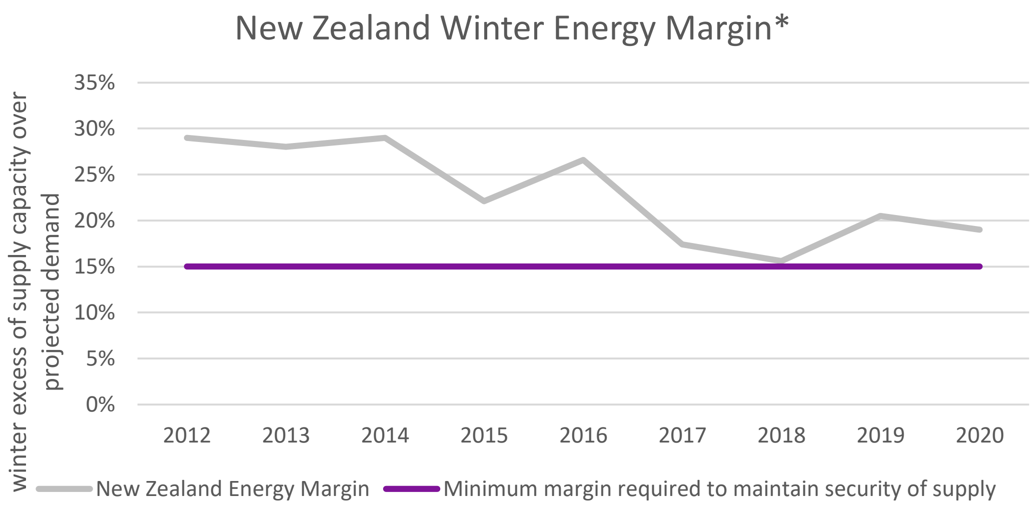
Trustpower agrees with the market consensus that demand for electricity will increase materially over the next 2-3 decades

Figure 1 – Grid level electricity demand by scenario and sensitivity



Source: MBIE

Supply and demand are currently near equilibrium

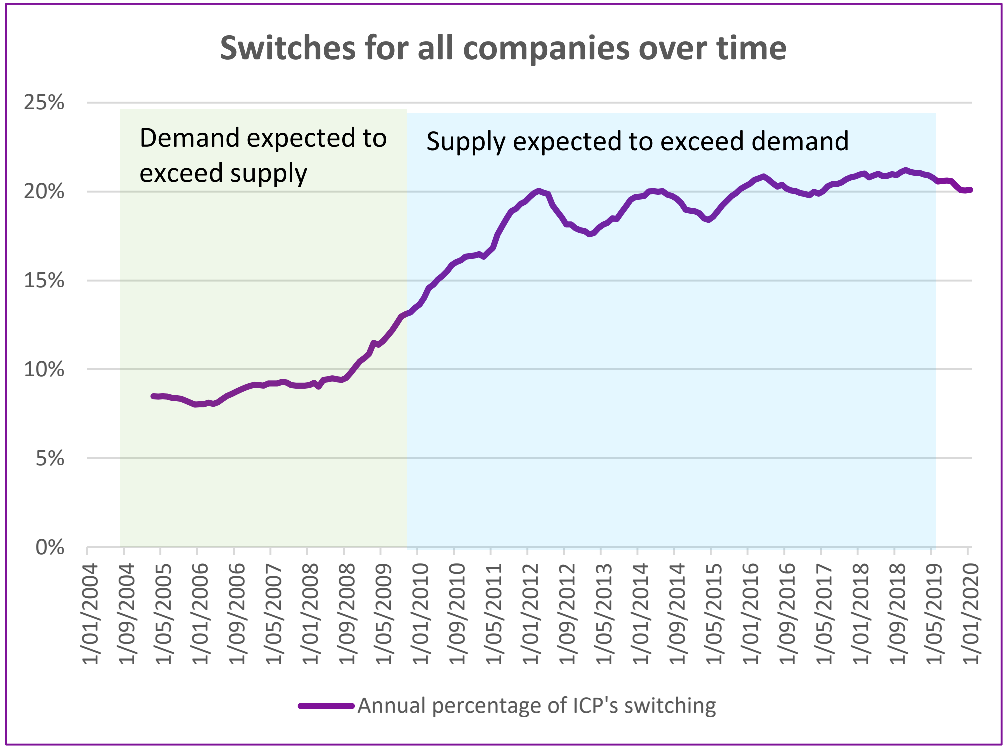


The key unknown is what impact the COVID 19 pandemic and the cost of new technology will have on prices

*New Zealand Energy Margin from Transpower Security of Supply Annual Assessment the year prior to delivery.

Retail competition

Competition levels remain high



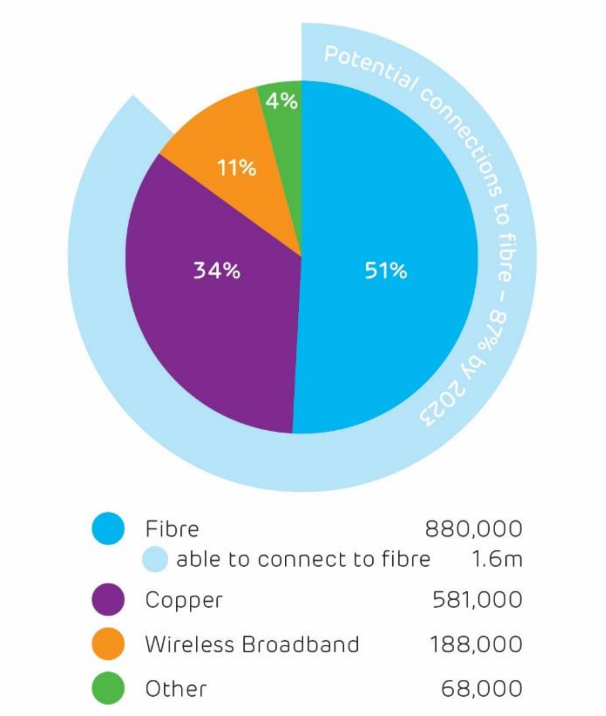
Trustpower's hypothesis:

- Most of the increased competition over the last 10 years has been driven by generators seeking additional customers in which to place their generation.
  - » National supply exceeding demand
  - » 90% of premises switches were initiated by generators
- New entrant retailers have only had a modest impact on retail competition
  - » Fewer than 300,000 of the over 4 million premise switches that occurred over the last ten years were as a result of new entrant (less than eight years old) activity

The forecast increase in demand is expected to reduce retail competition to more longer term sustainable levels

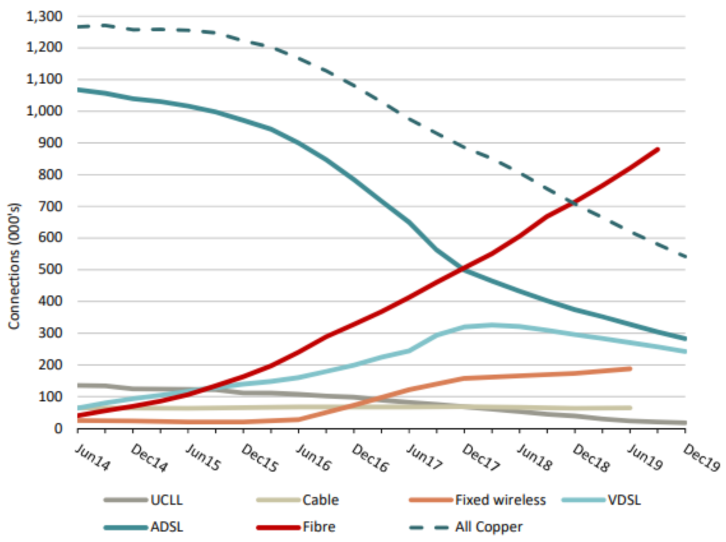
Increasing demand for data

NZ Internet connections

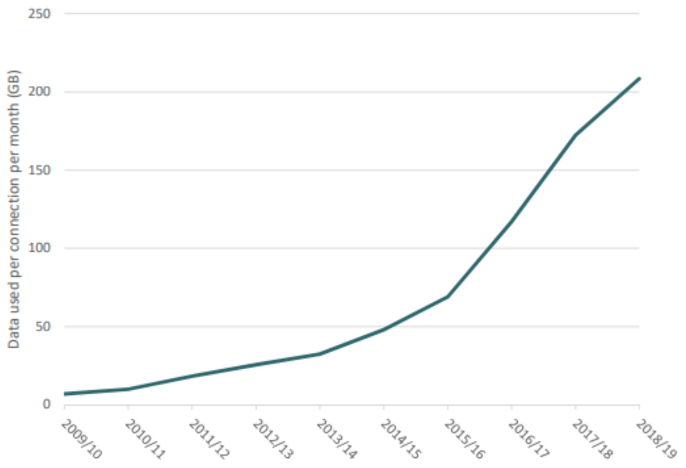


Over 46% of household connections have no landline

Fixed-line broadband connections by technology



Fixed-line broadband data consumption

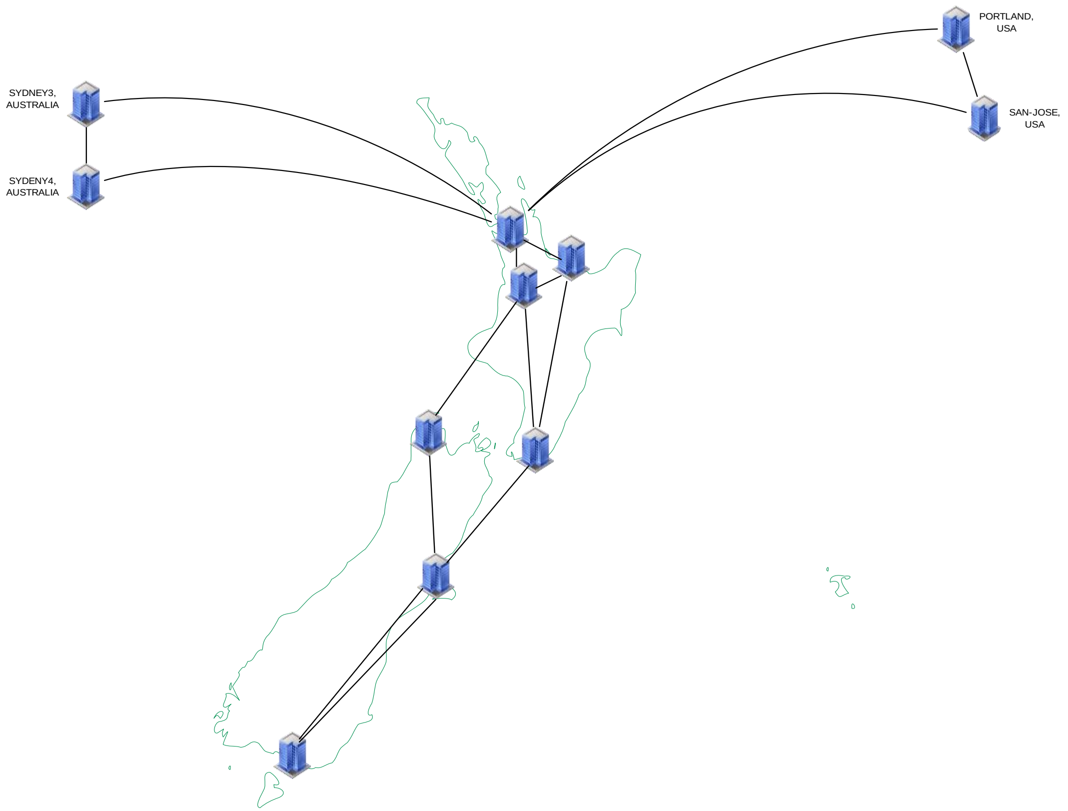


Source: Commerce Commission, Annual Telecommunications Monitoring Report, 12 March 2020, https://comcom.govt.nz/__data/assets/pdf_file/0021/212763/2019-Annual-Telecommunications-Monitoring-Report-Revised-version-12-March-2020.pdf

We have built a carrier grade ISP network & capability

Trustpower has invested $3-5 million per year for the last five years which means:

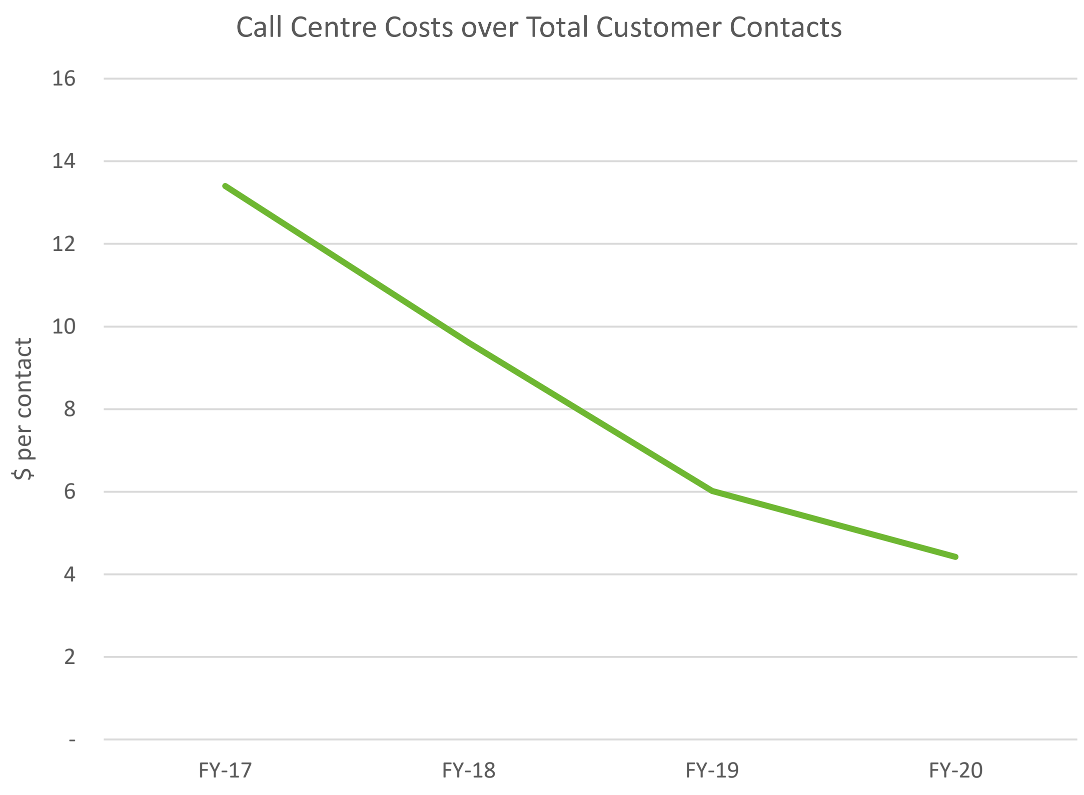
- We have a nationwide network with points of presence in all the major cities supported by dedicated leased fibre networks
- Our comprehensive mesh network of dedicated optical rings (leased fibre but operated with equipment owned by Trustpower) means we have high levels of redundancy
- We have Points of Presence in Australia and the US and we are building a new site in Asia
- All of our offshore sites have dedicated connections
- In addition to our own sites we have our equipment in all of our service providers' key locations
- Number one or two in the New Zealand Netflix ranking throughout the year



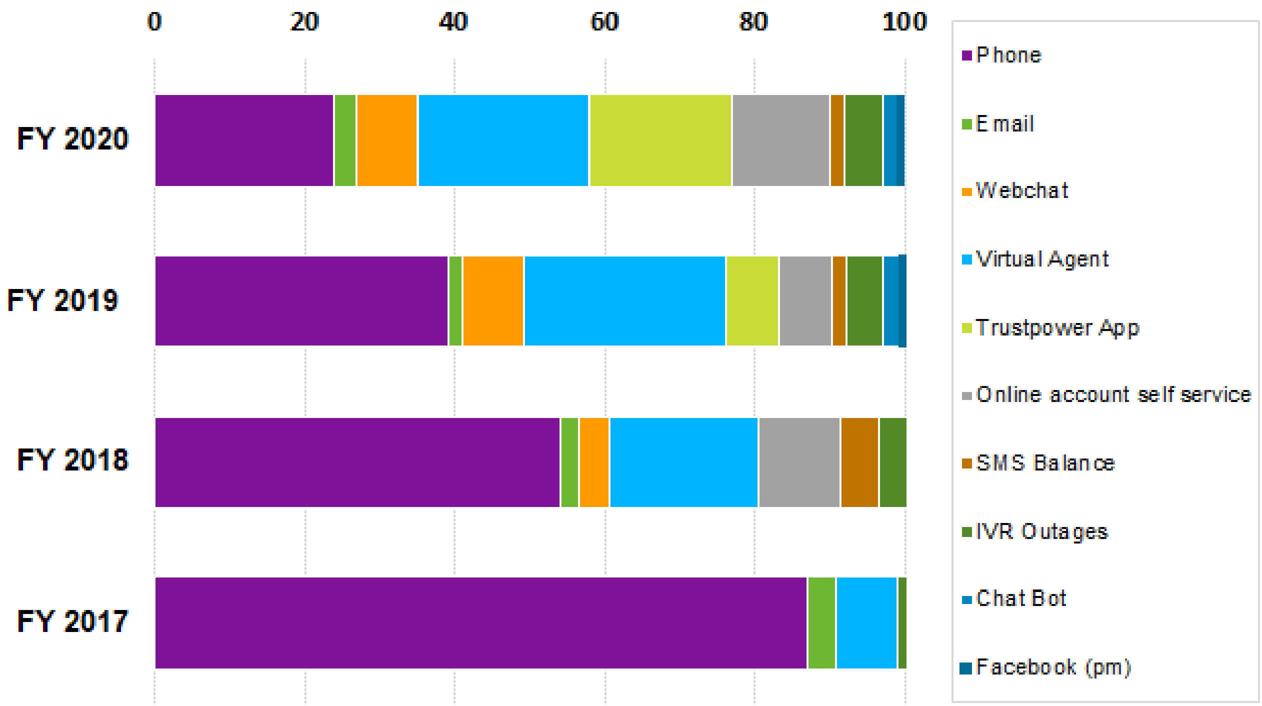
Without a dedicated carrier grade network you cannot provide the level of service customers are demanding

Digital - Meeting customer demand and driving productivity

Driving productivity improvement



Meeting customers' increasing demand for digital interaction with market leading automation



In the first week of level 4 lockdown we processed over 138,000 customer contacts (17% above normal levels). 97% of these contacts were handled through digital channels.

What does this mean for telco retail?

Demand for data and the fibre rollout will continue to drive change

- The continuing demand for data will ensure the transition from copper to fibre will continue for 3-5 years continuing to provide a value led reason for changing providers
- Bundling will be commonplace e.g. broadband with one or all of – Mobile, content, electricity, home appliances etc.
- We are already seeing major players moving away from price led offers to value led offers
- Quality of service will be critical – e.g. the Rugby World Cup, working from home
- Controlling a carrier grade network is key to having the visibility and control over the network which is essential to deliver high quality service. Whether you own or lease the main factor is to control the data flow.
- Small scale providers (<2% market share) will struggle to invest in the quality of service demanded by customers for an acceptable margin.

Trustpower is well positioned to succeed in this environment

Society and regulatory change

Sustainability

Trustpower has always considered all of its stakeholders in its decision making. We have a long history of supporting and engaging with our local communities, iwi, our employees, customers and the environment in addition to providing returns to our shareholders.

This year we have provided additional reporting in the annual report and will continue to improve this each year.

Regulatory

Trustpower actively participates in the regulatory change that affects the company and/or its stakeholders. Overall we are pleased with the general direction of change towards decarbonisation and enhancement of the environment. We are however concerned that some changes are being made without proper consideration of the consequences. The Electricity Authority's proposed changes to the Transmission Pricing Methodology are a prime example of this where fundamental errors remain uncorrected despite Trustpower and others having pointed them out many times. The rushed implementation of the Retailer Debt Referral Scheme is another example of lack of due process.

Trustpower is also actively involved in RMA related reforms in respect of fresh water management and indigenous biodiversity. We will continue to oppose the current proposed water reforms that promote different standards depending on the river

Trustpower's strategy – to create executable options driving shareholder returns

Strategic Pillars

- Bundling Energy and Telco
- Generation Portfolio Performance
- Maximising Electricity Value
- Identifying New Markets

Strategic Capabilities

- Driving action based on data, analytics and insight.
- Meeting our customers' needs.
- Strong, positive relationships
- Lean, agile, scalable technology platforms and processes.
- Open culture with a collective learning focus.

Values

- **People** People centric decisions
- **Integrity** Checking our moral compass
- **Courage** Create the opportunity
- **Open/ Transparent** You trust and are trusted
- **Collaboration** Diversity of thought makes everything richer
- **Adaptable** Whatever the focus we can pivot and adapt

Shareholder Value

To deliver a total shareholder return (TSR) in the top quartile of the NZX while maintaining a strong focus on total societal impact

A changing world

Trustpower has engaged the help of external facilitators and business process experts to assist it in thinking innovatively about how it can thrive and prosper in a post COVID world. We will share more on this at the half year.

What this all means for Trustpower

What are we doing?

As much as possible we are managing weather volatility through active risk management and stable dividends.

We are actively engaging with other potential partners to look to participate in further renewable generation development to meet national demand increases. These developments will build on Trustpower's core competency of owning and operating small scale renewable generation, with a focus on local communities.

We continue to grow our bundled retail business taking advantage of the continuing growth in data demand. We now have wireless broadband and mobile capability and are continually seeking new products to enhance our customers' experience.

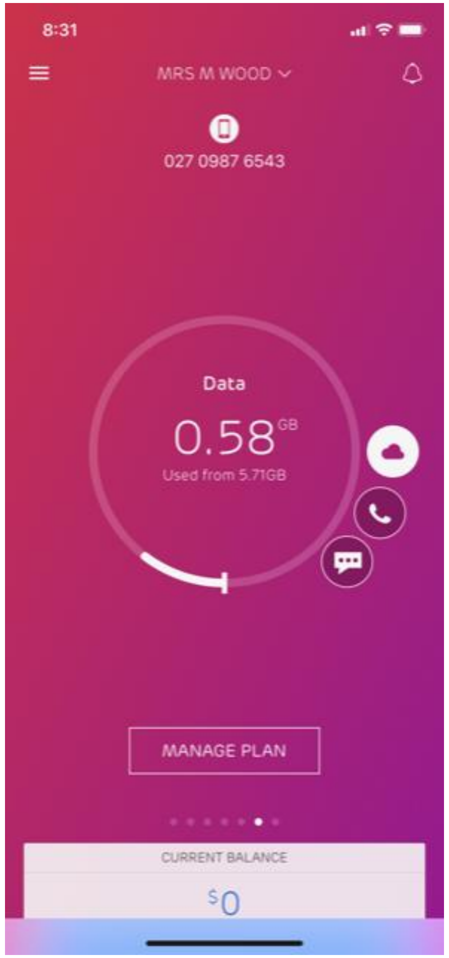
If electricity retail competition eases as a result of macro supply/demand changes we are well placed with a high quality customer base to increase returns

We continue to focus strongly on automation both as a way of improving the customer experience

We will maintain a strong focus on improving the efficiency of everything we do.

Our long history of renewable generation, staff engagement and working closely with community and other interest groups leaves us well positioned to meet the changing needs of society.

We will continue to be actively involved in the development of regulation as it affects our industries



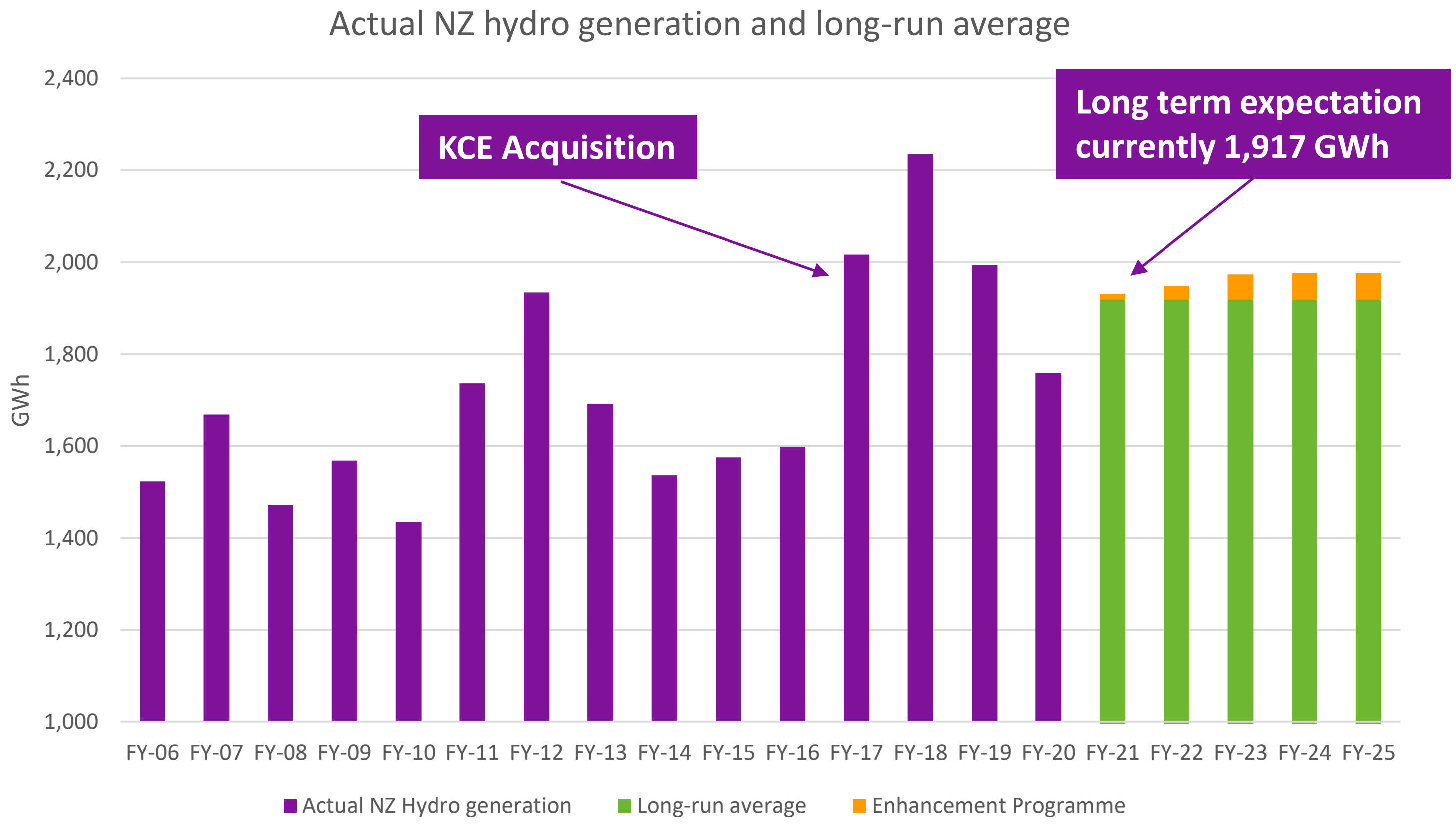
In summary we are well positioned to grow and prosper in a changing and evolving environment

GENERATION PERFORMANCE

Enhancing generation volume

Continued focus on efficiency and enhancements delivers results

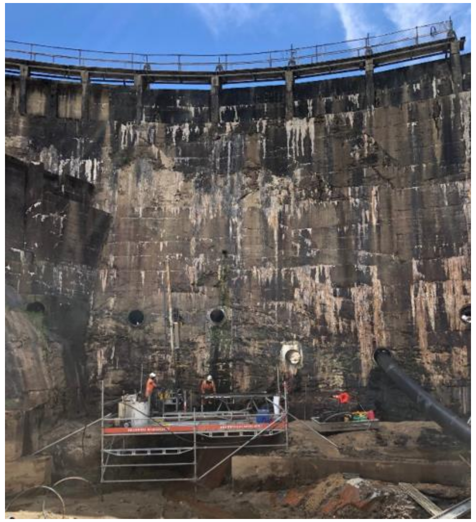
- Average generation volume increased by 113GWh in the decade to FY-16
- Average generation forecast to increase by 60GWh from FY-21 to FY-25
- This year's volume affected by weather and a major outage at Highbank



Waipori Scheme Outage

Major scheme outage successfully delivered by Trustpower staff and contractors :

- 8-week planned outage completed on time.
- Major works included conveyance tunnel assessments and repairs, dam stability investigations, and penstock and turbine repairs.
- 18,000 manhours of work completed by over 250 personnel from 40 different companies.
- Great safety and environmental performance – no major safety incidents, no breaches of consents and minimum residual flows maintained.
- This outage secures the asset into the future and provides valuable asset condition data.



Investigations – WPI 2 Dam

Investigations & Repairs – WPI 2 Tunnel 2

Repairs – WPI 2 Surge Chamber

Highbank Outage

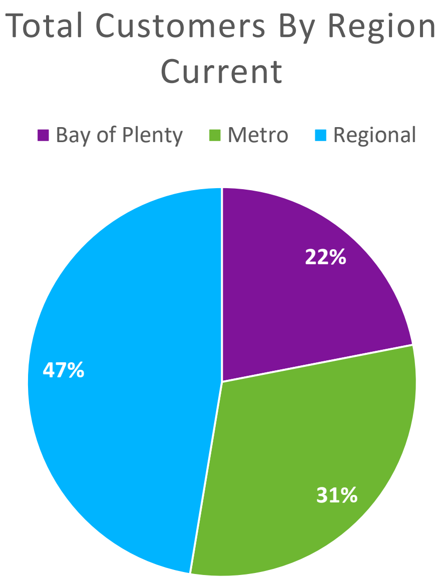
Trustpower's diverse Generation portfolio highlights resiliency during unplanned outage.

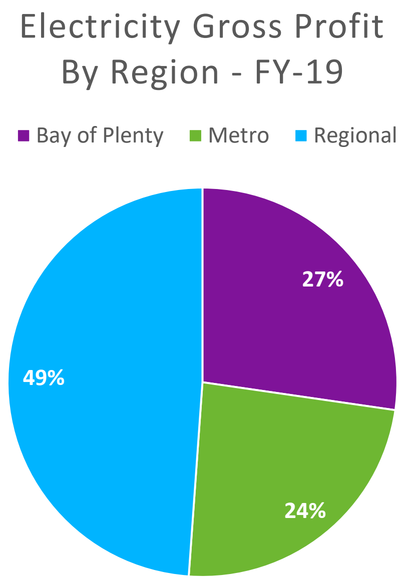
- Damage to the guide bearing of Trustpower's fourth largest machine, located at Highbank Power Station, resulted in a three-month forced outage.
- This was the worst single machine point of failure across the Trustpower Generation fleet but demonstrated the resiliency of a diverse portfolio.
- Outage cost ~$1.2m for repair and resulted in lost revenue of ~$4.9m

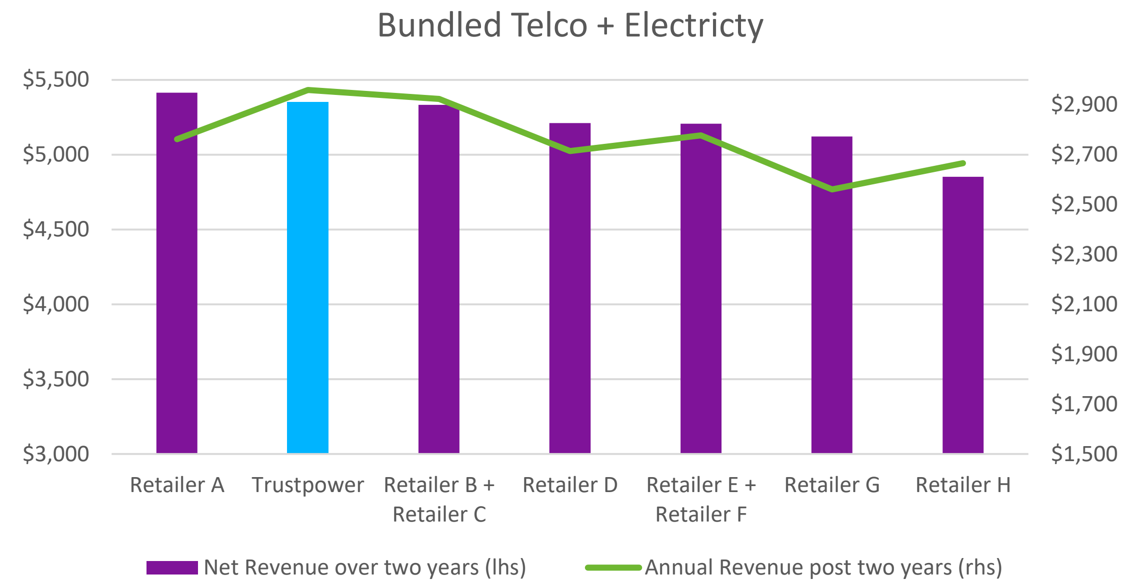
Bearing Housing put in place ready for alignment

RETAIL PERFORMANCE

Focus on execution of proven products







Comment

- >¾ of all new customers are taking 2 or more products
- We continue to see strong telecommunications growth and we are creating a diverse and resilient customer base
- We created a new bundled category and plenty of others are attempting to follow

Current connections

266,000 electricity

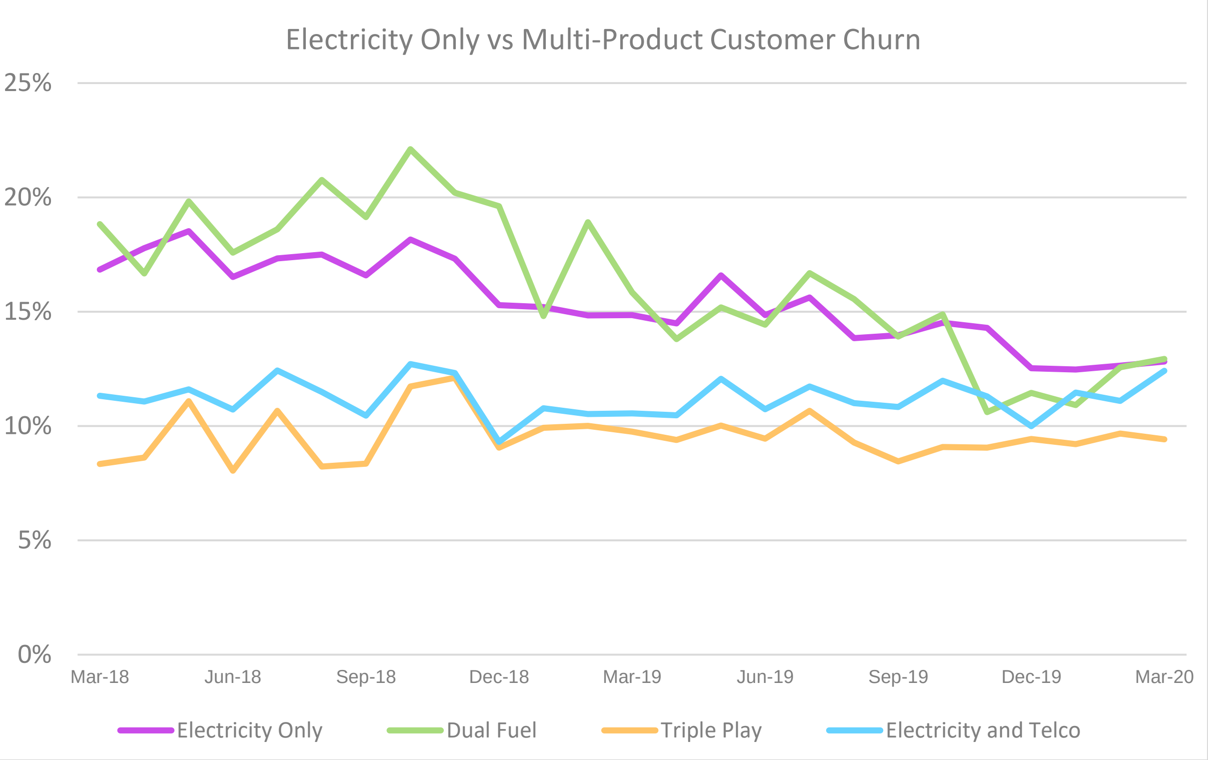
41,000 gas

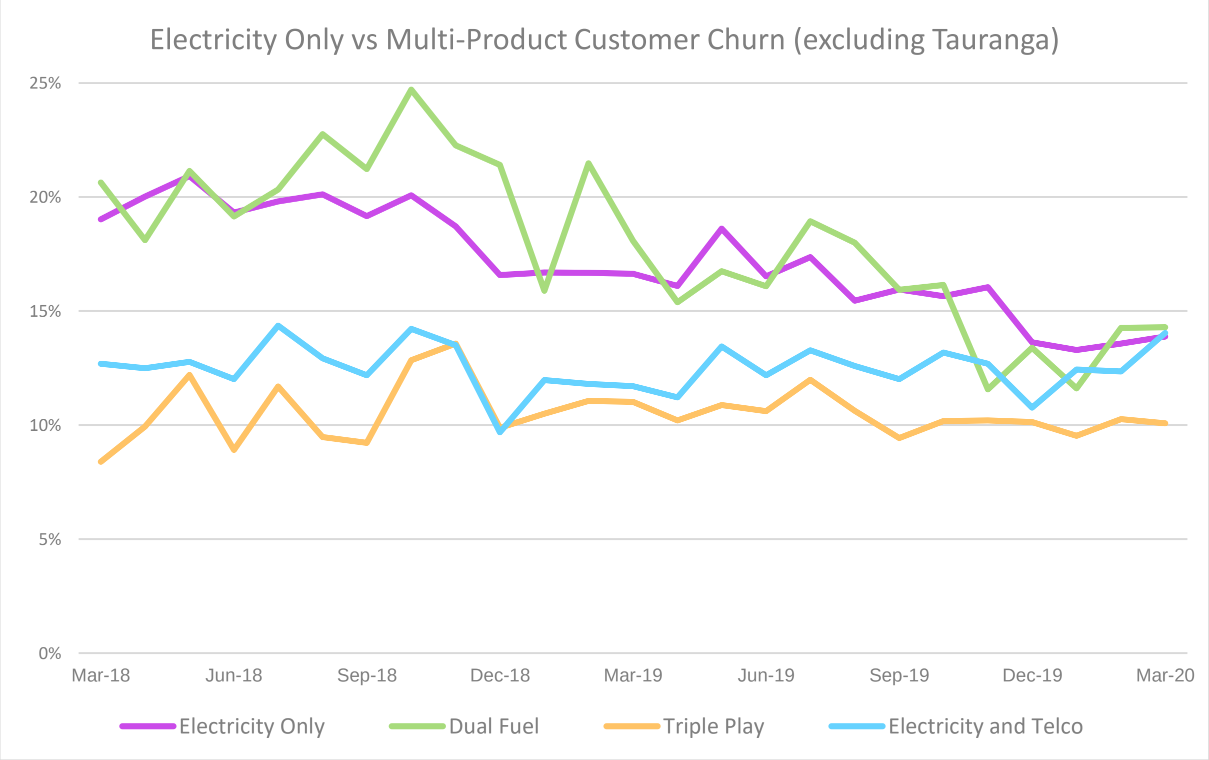
104,000 telco

116,000 of our total customers of 236,000 have more than one product

* Net revenue = revenue billed to customer in Central Auckland less GST and less cost of upfront incentives

Lower churn = higher value



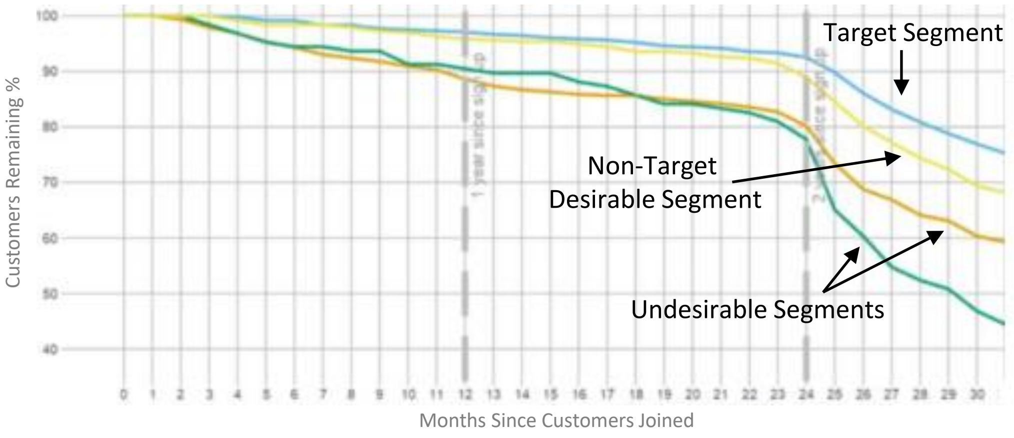


Trustpower churn well below market churn of approximately 20%

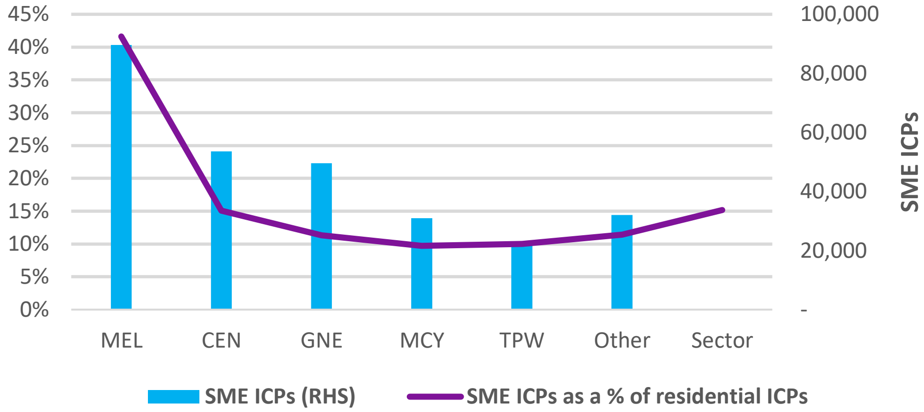
Electricity only segment reflects long tenure customers with lower churn. Reflecting Trustpower not targeting price sensitive electricity only customers. Churn in this segment is expected to decline further over time.

Quality Customers are Essential in Tough Times

Residential Customer Persistence

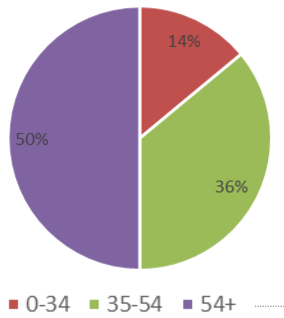


SME vs. Residential Connections

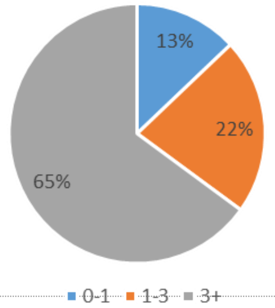


Strong Correlation Between Age, Tenure and Bad Debt

Customer Age Years

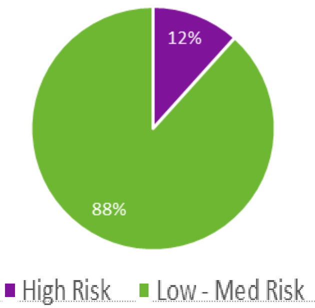


Customer Tenure Years

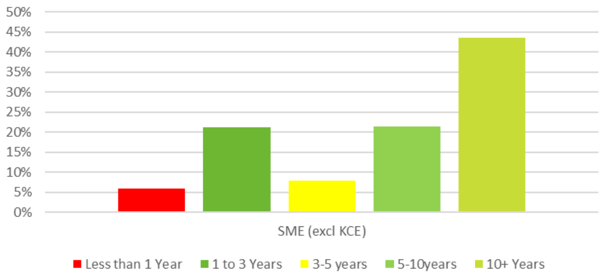


SME Tenure and Industry are important

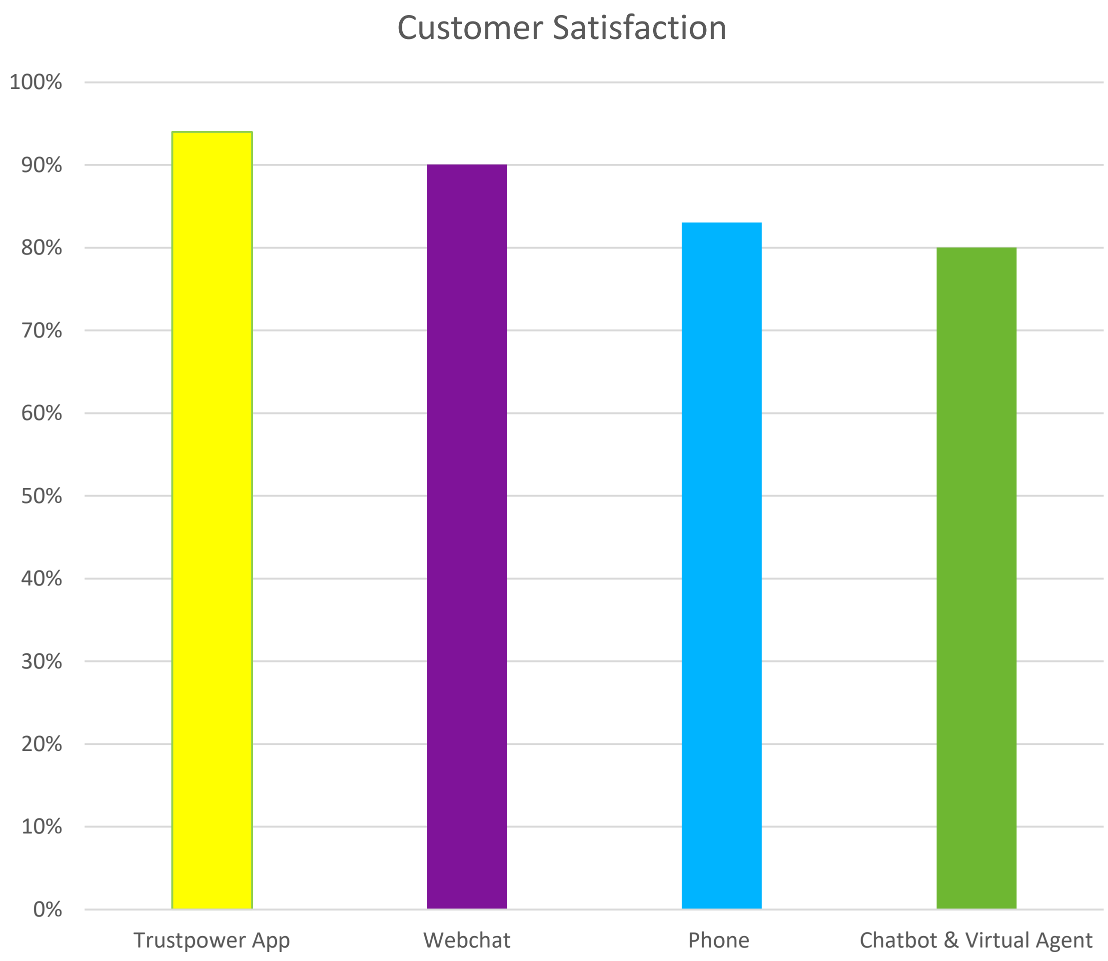
Industry Risk Profile



Long Tenure



Customer centred services driving satisfaction

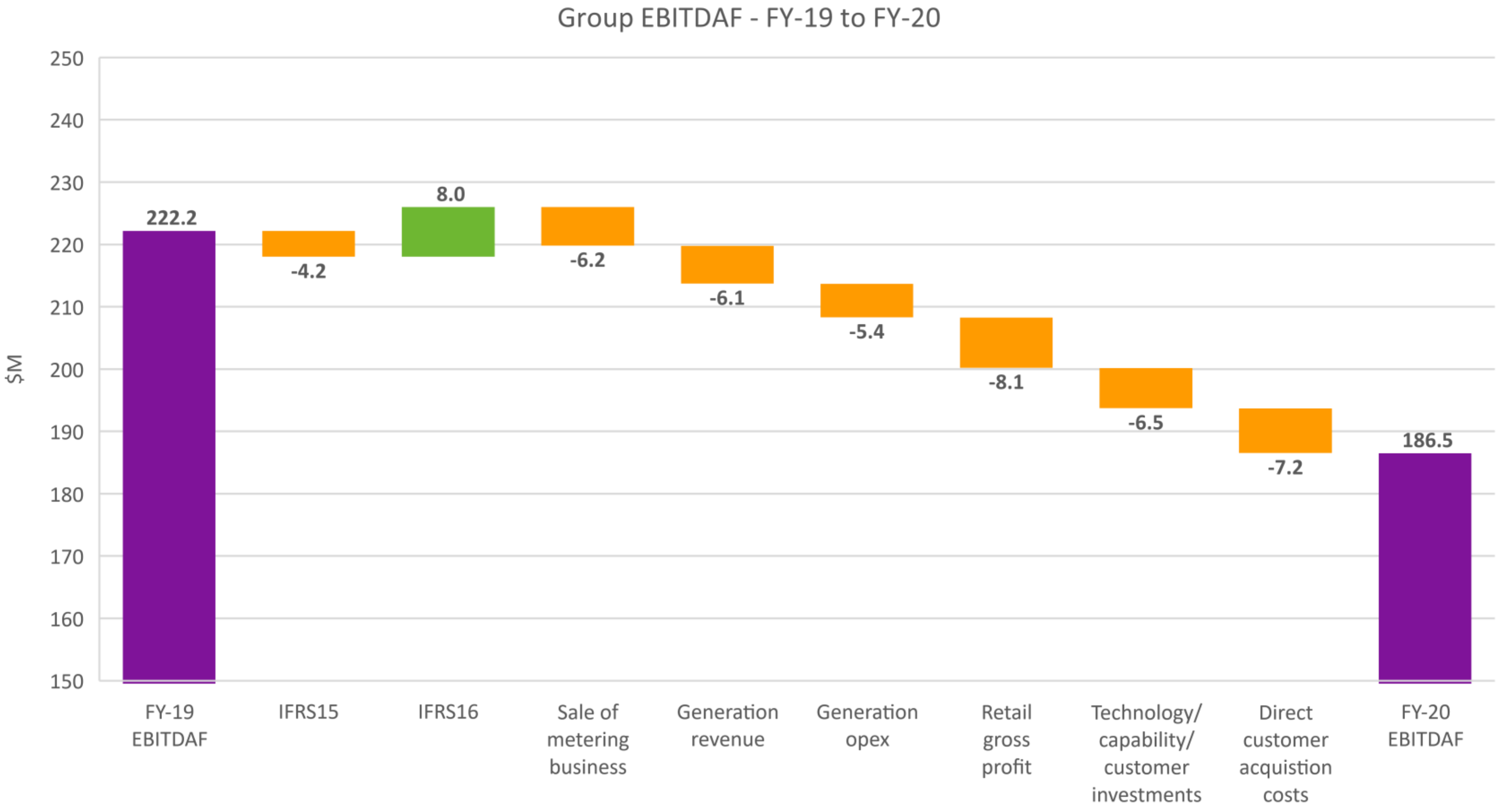


- Excellent customer satisfaction outcomes particularly for those which are non-staffed digital. This drives high levels of re-engagement and significant utilisation of our lower cost service delivery channels. High levels of satisfaction also support loyalty and safeguards customers from churn

- The digitisation of our service offering, and high customer engagement paid dividends during the first weeks of COVID-19 lockdown with 92% of customers using non staffed digital channels.

FY20 FINANCIAL REVIEW

EBITDAF bridge full year 2019 - 2020



IFRS15 relates to the net difference in amortisation and capitalisation for customer acquisition costs.

Trustpower adopted the new IFRS16 accounting standard in FY-20, moving some leases onto the Balance Sheet.

The sale of our Meter Asset and MEP business reduced earnings contribution from November 2019.

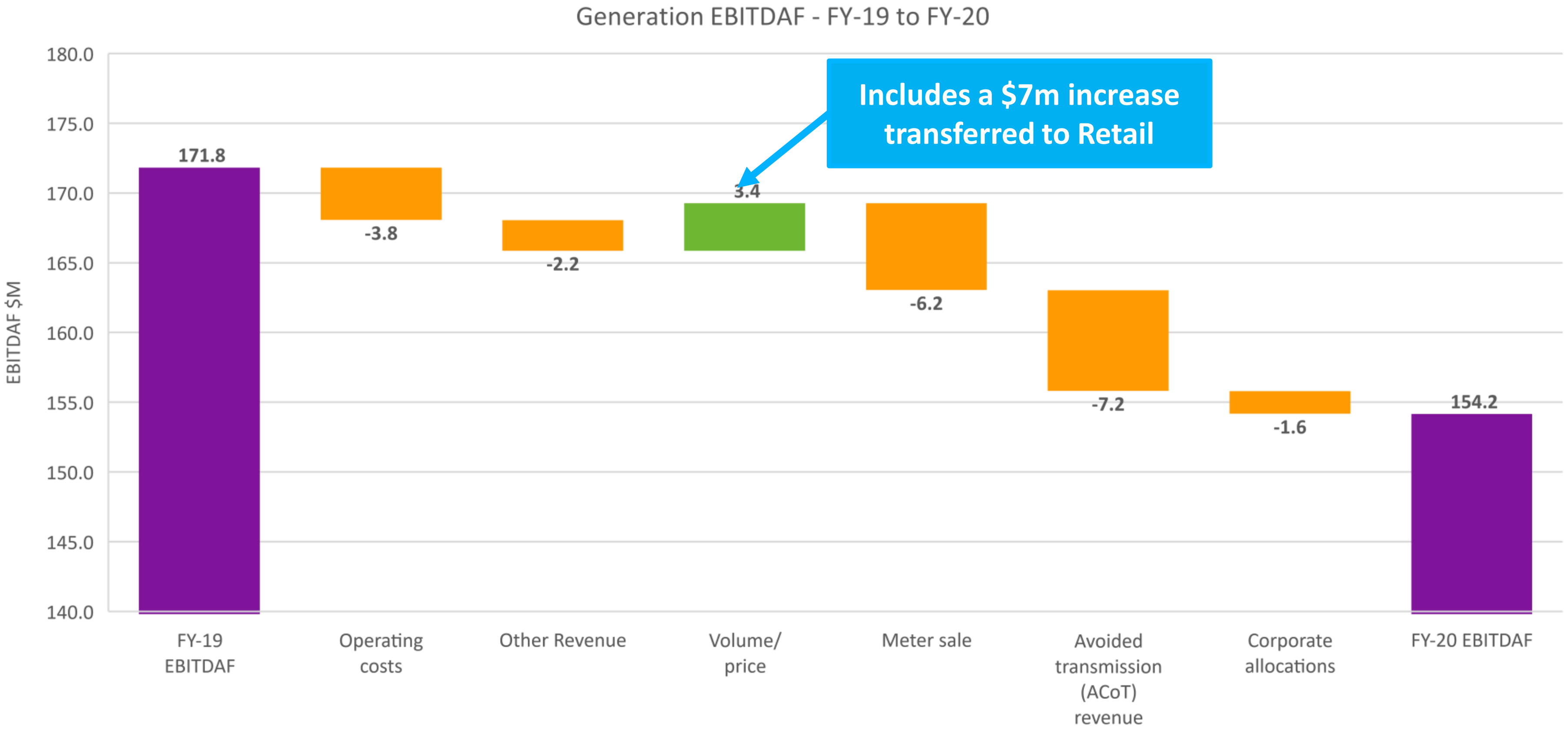
Generation revenue materially impacted by decline in Avoided Transmission (ACoT) revenue, lower volumes, and carbon credit revaluation – partially offset by a higher electricity transfer price to retail.

Generation operating costs increased due to additional works undertaken in FY-20, as well as increases in opex projects and capability development.

Retail gross profit adversely impacted by a higher transfer price for electricity, partially offset by an increase in telco gross profit.

FY-20 saw further investments in technology and capability, and customer acquisitions, including 25% more customers taking physical incentives.

Generation earnings



Operating costs increased in FY-20 due to increased works carried out, increase in personnel capability, and increase in one-off opex projects (e.g. Highbank and Waipori)

Other revenue decrease was mainly due to carbon credit revaluation, driven by sudden drop in market prices late March due to COVID-19.

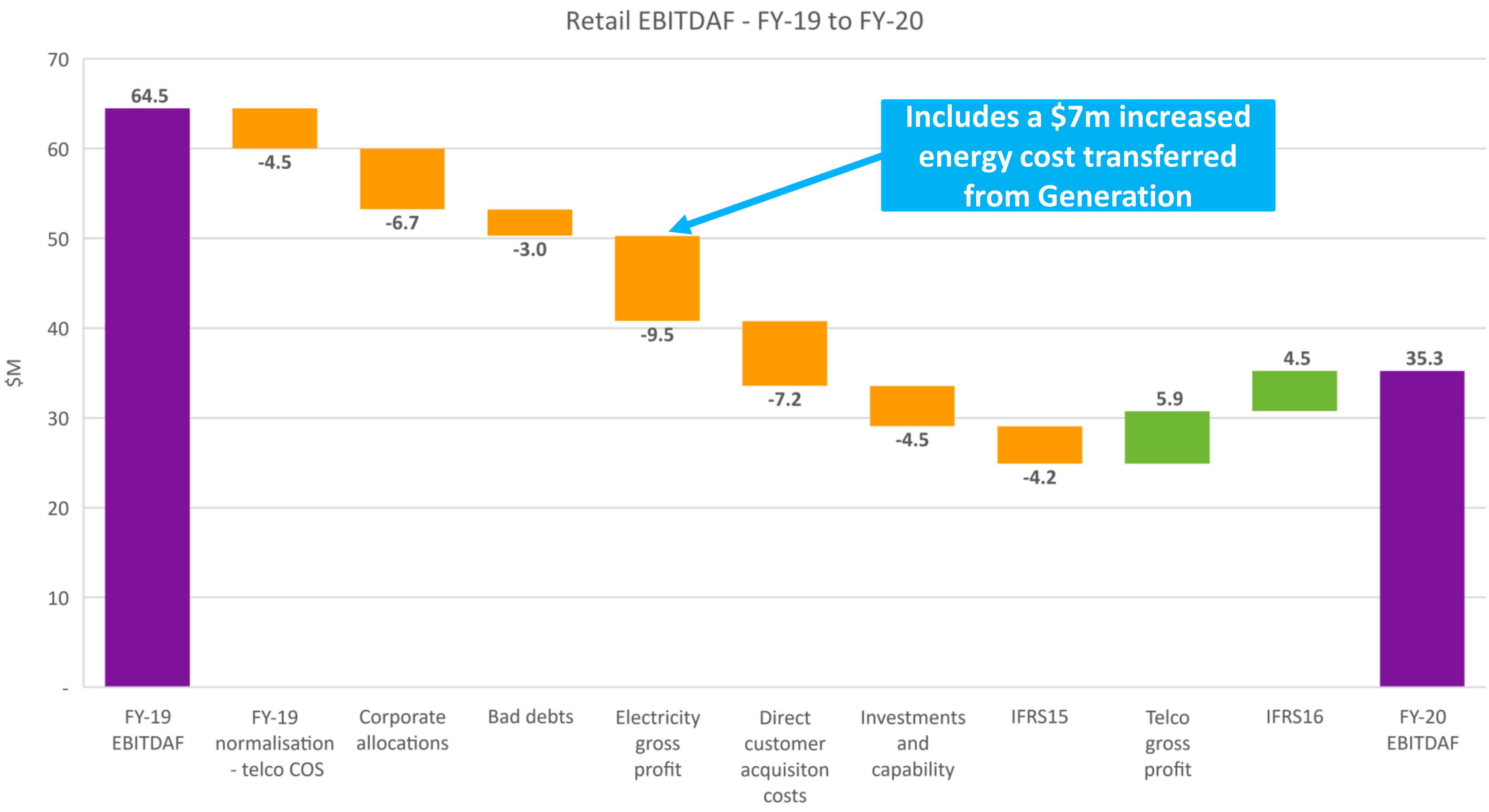
Generation volume was 12% lower that FY-19, however this was offset by trading gains and an increase in the transfer price of circa $7 million.

The sale of our Meter Asset and MEP business reduced earnings contribution from November 2019.

ACoT revenue declines were due to changes in eligibility and rates for FY-20.

Corporate cost allocation methodology change saw a larger chunk of corporate costs now allocated to the business operating units.

A challenging year for Retail



Telco cost of sale normalisation relates to a large credit from prior periods being included in FY-19.

Corporate cost allocation methodology change saw a much larger chunk of corporate costs now allocated to the business operating units.

Bad debts relates to a provision increase made in March 2020 due to COVID-19.

Electricity gross profit was adversely impacted by warmer climate and a material increase in the cost of electricity (increase in transfer price) which couldn't be fully passed through to customers in the first year.

Investments and capability represents increased costs driven by increased products and wage adjustments to reflect the increased complexity.

An increased focus on retention has resulted in increased customer acquisition costs. This is expected to drive lower churn.

IFRS15 relates to the net difference in amortisation and capitalisation for customer acquisition costs.

Telco gross profit continued to increase, with increasing customers and 8% higher margin per customer.

Trustpower adopted the new IFRS16 accounting standard in FY-20, moving some leases onto the Balance Sheet.

Final dividend

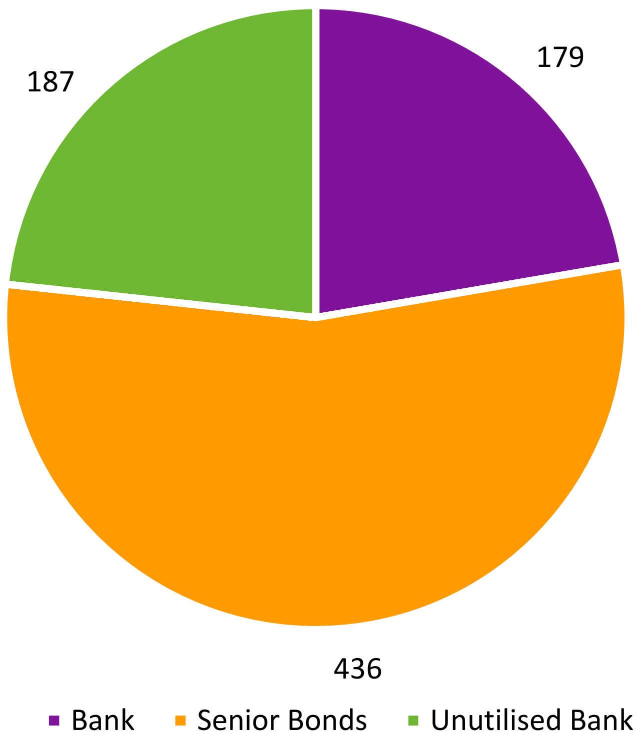
Final Dividend declared of 15.5 cps fully imputed

bringing total ordinary dividends for the year to 32.5 cps fully imputed

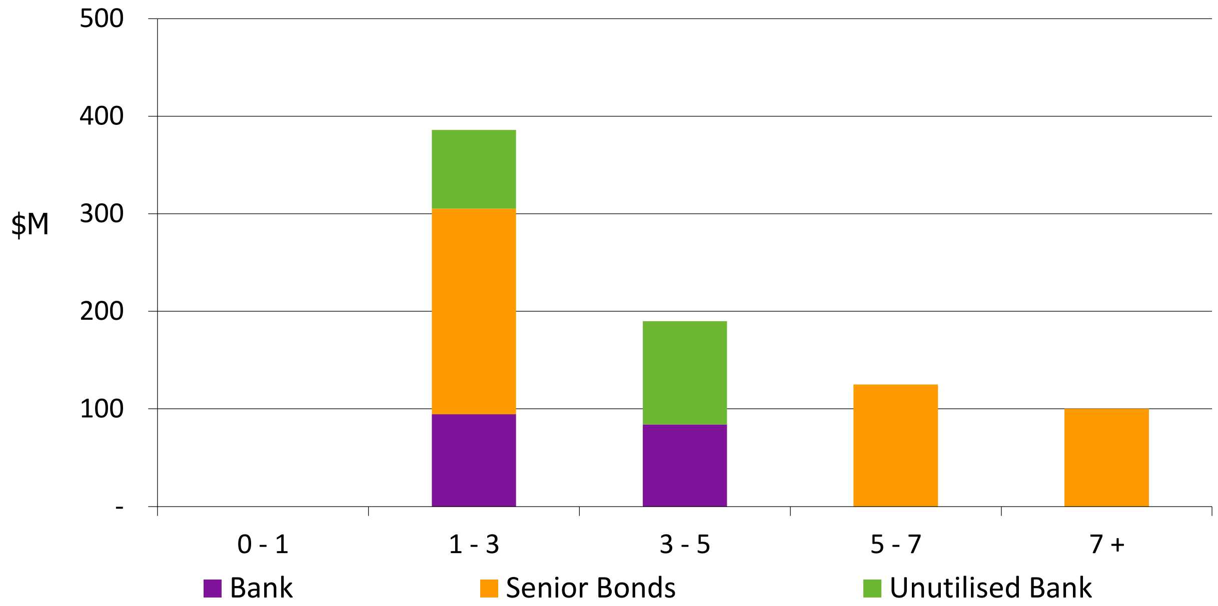
The decline in dividend reflects the current year performance and the Board's view that a considered and conservative approach is required in relation to the uncertainties caused by the COVID-19 pandemic.

All ordinary dividends expected to be fully imputed from now onwards. Trustpower has left it's dividend policy unchanged

Debt capital management

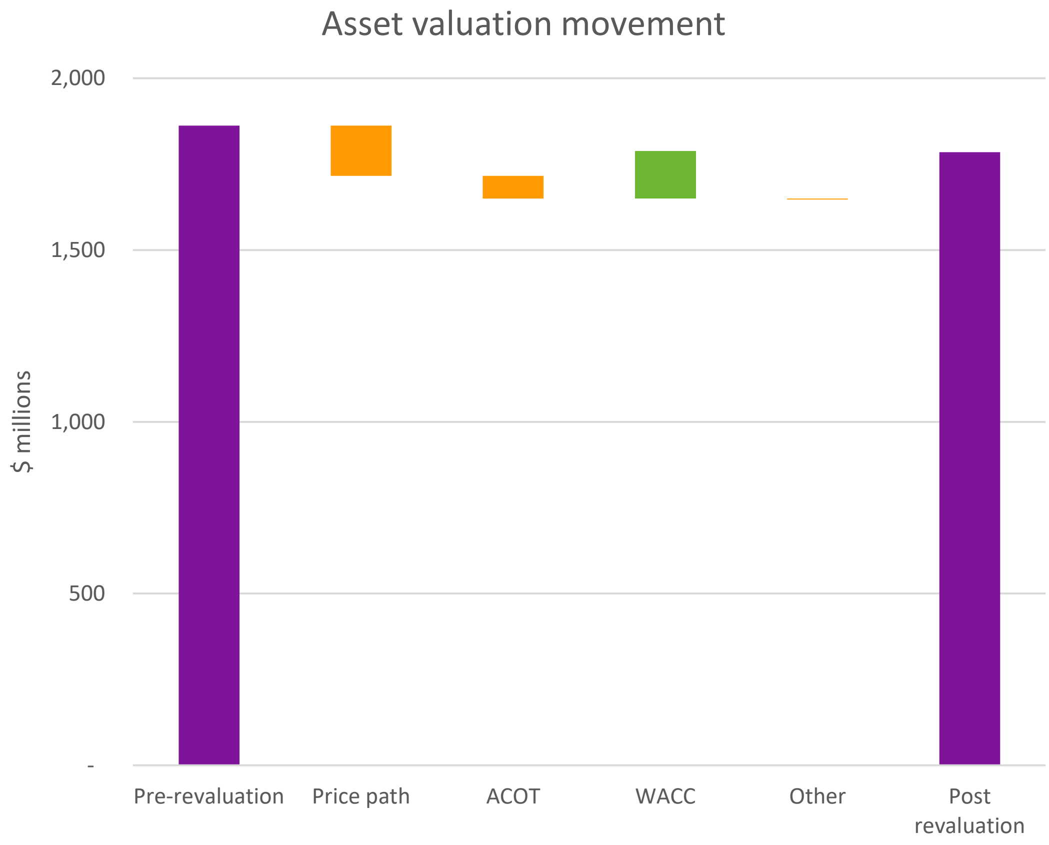


Strong position to manage uncertainty



- Trustpower has refinanced all its debt due in 2020 and does not expect to be returning to the bank or debt markets over the next 12 months.
- Unutilised bank debt is considered sufficient to accommodate the current levels of uncertainty

Generation asset valuation



Prudent approach

The Board considered it prudent to seek a full revaluation of the generation assets given the material changes in the environment

- Price path is ASX initially then $81 flat real thereafter
- WACC is 7.0%
- ACOT revenue is 55% of current levels from FY25
- All costs as per Trustpower internal plans

Trustpower has adopted the independent valuer's mid-point in the range.

We have adopted the reduction in forecast ACOT revenue applied by the valuer but note the material drop in the benefits the Electricity Authority is ascribing to its proposed transmission pricing methodology following Trustpower's submission. Trustpower also notes that the Authority has not chosen to correct all of the fundamental errors pointed out by Trustpower. We will continue to actively engage in this process and remain hopeful that an appropriate solution will be adopted.

OUTLOOK

In summary

- The FY20 operating result was overall disappointing but Trustpower expects an improved FY21
- Focused on incremental value creation in generation, cost optimisation and volume gains
- Building a network of partners that create options for participation in new generation
- Trustpower repositioned as a New Zealand focused multi-product platform delivering for customers and shareholders. Two new products developed this year; wireless broadband and mobile
- Strong asset base in both generation and ISP infrastructure
- Highly capable staff with leadership capability throughout the organisation
- Building capability to compete in the digital world.

Highbank

Trustpower has the capability to prosper in uncertain times

Market guidance update

FY21 EBITDAF

Trustpower expects its FY-21 EBITDAF to be in the range of $190 - $215 million

The FY-21 forecast is underpinned by the following assumptions:

- Generation volumes for FY-21 of ~1,862 GWh (incl KCE). This is below the expected long-run average of 1,917 GWh, reflecting current below average lake storage levels and dry conditions in the North Island.
- NZ Wholesale prices are in line with current forward pricing for the year
- Average temperatures and average residential electricity consumption for the year. Commercial consumption is forecast to be 35% lower than FY20
- Total average mass market customers of ~230,000 including ~109,000 telco customers. No material changes in pricing
- Bad debt levels are elevated to nearly three times pre-COVID levels.

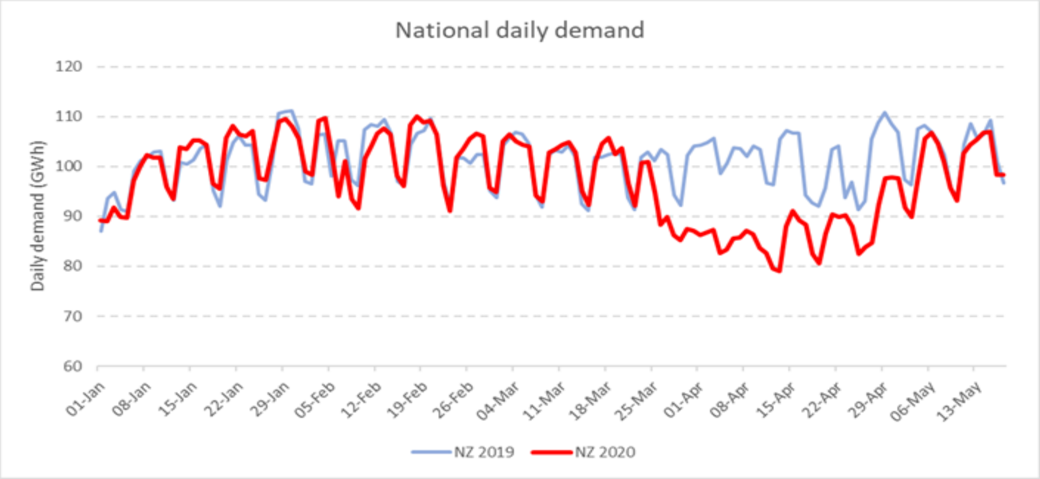
Developing this forecast in the early stages of a COVID 19 pandemic has proven challenging. There is material uncertainty surrounding the impact on the New Zealand economy and its impact on Trustpower's profitability. The forecast is predicated on a gradual return to normal. A return to lockdown could have a material impact on this forecast.

CAPEX

Trustpower expects its FY21 capex to be in the range of $29m - $36m

This is made up of:

- Generation capex in the range of $14m - $18m
- IT and telecommunications network capex in the range of $12m - $15m
- Other capex ~$3.0m



THANKS!

QUESTIONS

How to ask questions

While you're attending the webcast there are integrated features on the platform which allow you to send questions to the presenters. You can either ask questions via the **Q&A** feature and **type** your question, or you can use the **Raise Hand** feature if you would like to **verbally** ask your question to the presenters. If you are **dialling in** via the dial-in phone number, you can only ask questions **verbally** using the **Raise Hand** feature.

How to use the Q&A feature

Click on the **Q&A** button and type your question and press the **Send** button to submit. When the presenters are ready to answer your question, they will either answer it live, or they will reply in the Q&A feature where you will be able to read their response.

How to verbally ask your question online

Press the Raise Hand button. When the presenters are ready to answer your question, they will acknowledge and unmute you, so you are able to ask your question.

How to verbally ask your question via your phone

If you have dialled in via the phone number you can **press *9** on your phones dial pad which will raise your hand, the presenters will acknowledge and unmute you when they are ready for your question.

ADDITIONAL INFORMATION

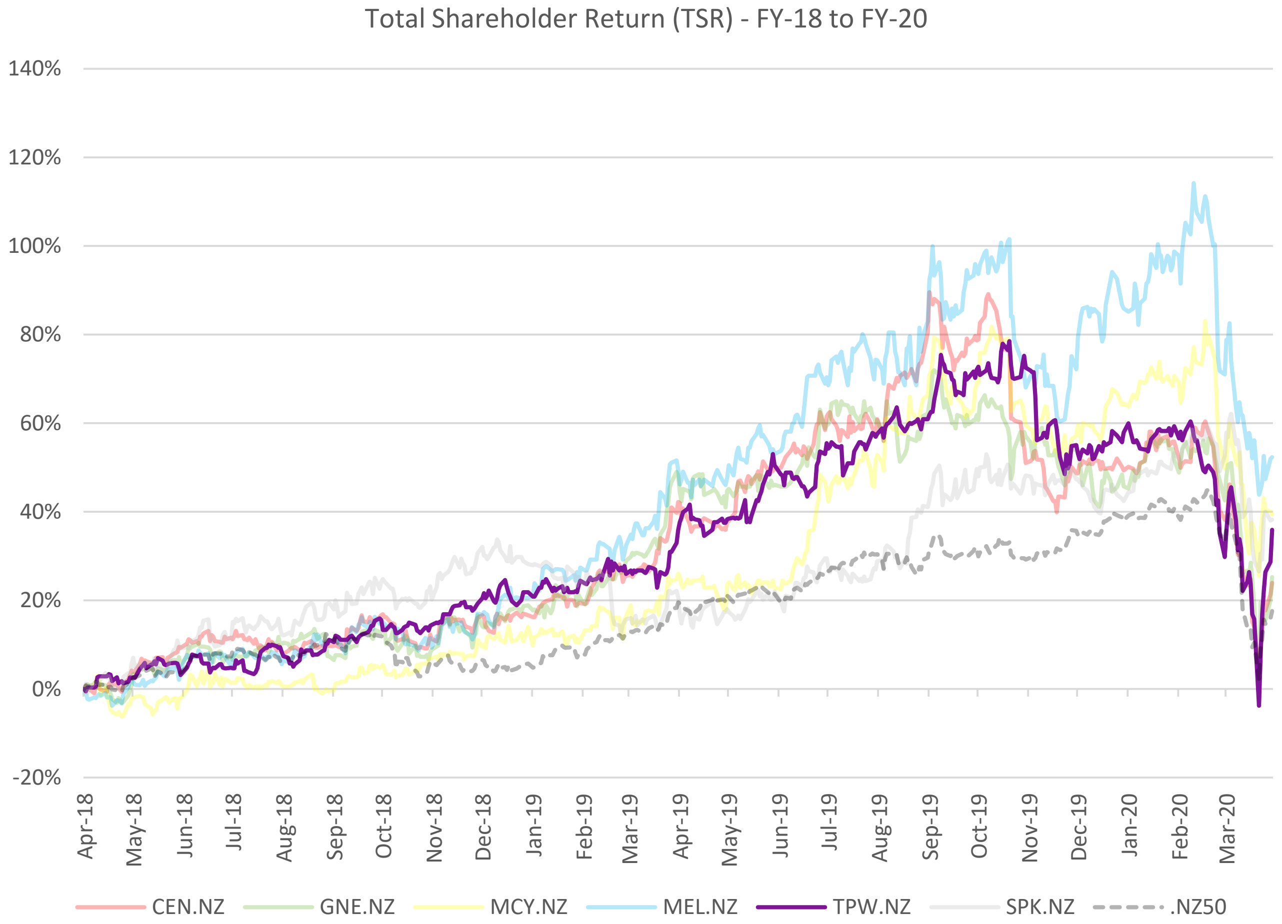
Trustpower key facts

- Tauranga based national electricity generator and retailer of energy and telco
- History dates back to 1923 as the Tauranga Electric Power Board
- Market capitalisation circa $2.2 billon
- Key shareholders Infratil (51.0%) and TECT (26.8%)
- New Zealand generation capacity (hydro) 487MW producing an average of circa 1,917 GWh per annum
- Approximately 411,000 utility accounts
- 116,000 customers have more than one product
- Approximately 809 FTE employees

Trustpower adds shareholder value

Share price trend driven by underlying value

- High dividend yield
- Sustainable gearing allowing for future growth
- Supportive major shareholders
- Credible retail growth story
- Flexible and geographically diverse fleet of generation assets that will optimise value under a variety of scenarios



TPW	**36%**
CEN	24%
GNE	25%
MCY	39%
MEL	52%
SPK	38%
NZX50	18%

FY-20 Overview

Key Drivers	Comments
• A very strong result thanks to favourable hydrology and pricing as well as an improved retail contribution.	EBITDAF of $186.5 million is down 16% Underlying Earnings of $75 million down 26%
• Generation above long run average but below last year	Generation production of 1,759GWh 12% below last year
• Retail growth strategy progressing well • Continued spend on marketing and acquisition	Electricity connections down 0.4% to 266,000 Gas connections up 5% to 41,000 Telco connections up 8% to 104,000 Customers with two or more connections up 8% to 116,000
• Generation assets revalued downwards	Loss of $78 million recognised in reserves and $5 million in the income statement. Key driver of valuation movement was a lower view of future wholesale electricity prices and the probability of retaining ACOT revenue in the future. There is a large degree of uncertainty around this forecast.

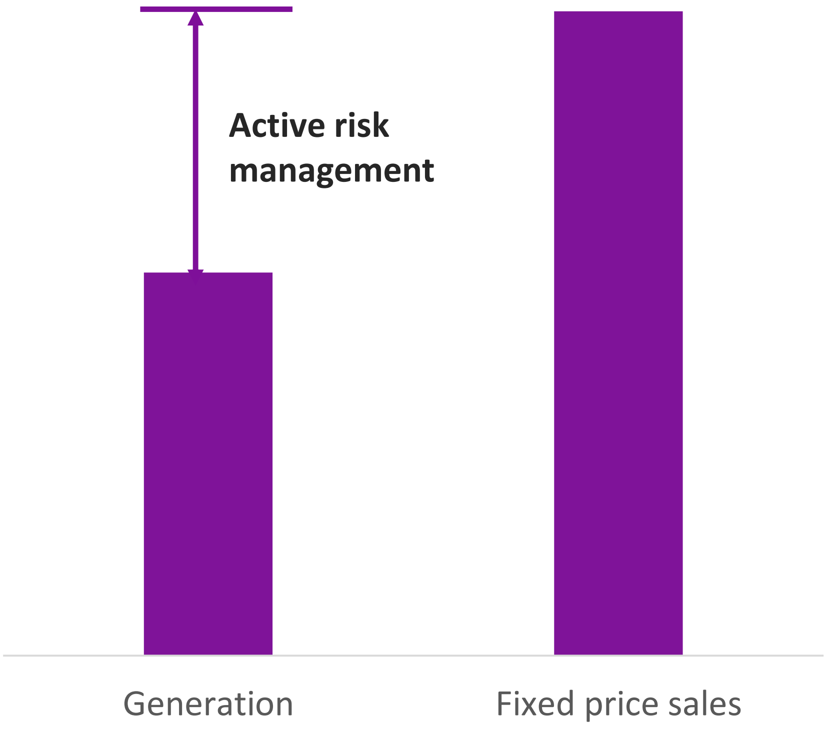
Electricity risk management

Trustpower's has successfully managed retail price risk for a number of years

- Trustpower understands the risk of retailing without full support of a generation business.
- The existing risk management tools are sufficient to manage the risk
- Managing risk requires an active strategy transacted well in advance
- The cost of risk management needs to be considered when setting retail pricing

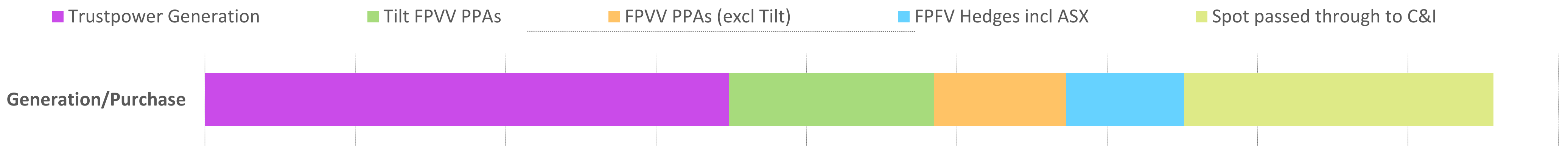
Retailers that do not manage wholesale price risk and set prices accordingly risk business failure

Trustpower supply/demand balance in a typical year



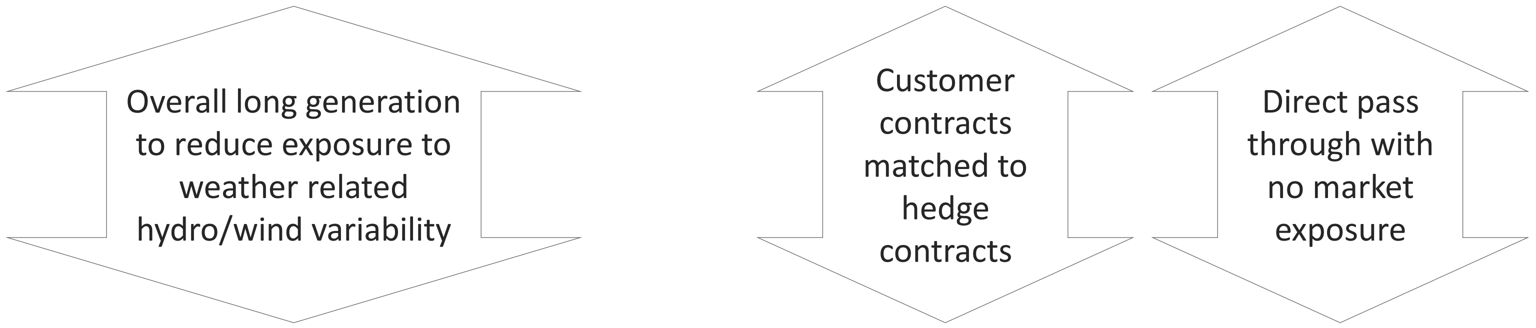
Balanced exposure to wholesale risk

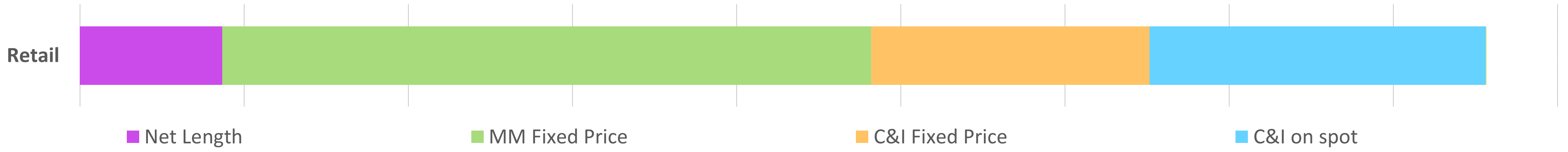
Overview of a typical year



FPVV = Fixed Price Variable Volume

FPFV = Fixed Price Fixed Volume





Having a robust transfer price is key to measuring retail performance

Trustpower's methodology

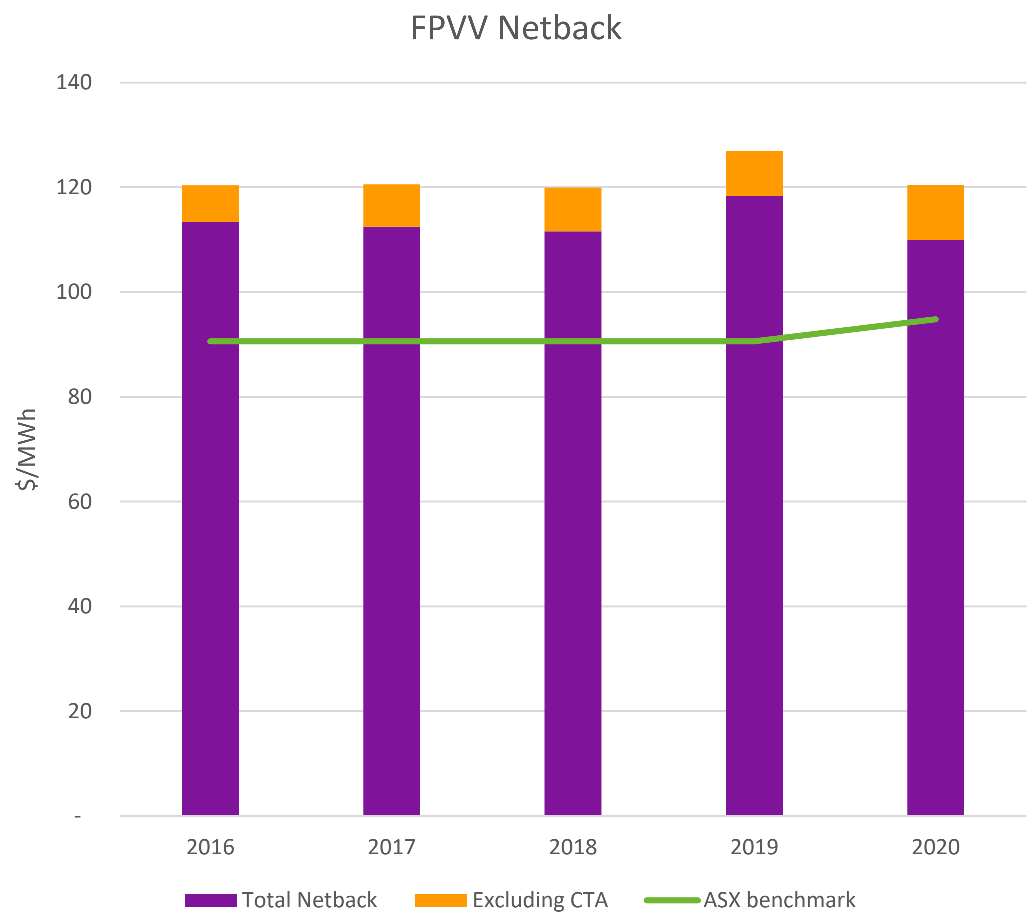
- Establish a monthly base rate based primarily on ASX pricing (1/3 based 3 years ago, 1/3 2 years ago, 1/3 1 year ago).
- Adjust for location factors and load shape relative to pricing peaks (peaking factor).
- Adjust for the annual volume option premium provided by the internal trading division and an allowance for transaction costs.
- Establish a fixed volume for each month and location. If actual volume varies then Retail needs to buy/sell at spot prices.

Industry practice

- Steps 1 & 2 seem to be fairly consistent with market practice for setting transfer prices however steps 3 & 4 seem unique to Trustpower. Others appear to use variable volume, load following hedges with no premium above ASX.

	FY18 $000	FY19 $000	FY20 $000
Reported Retail EBITDAF	59,593	64,481	35,343
Volume settled at spot	(1,177)	(5,632)	112
Option premium/transaction costs	4,114	4,529	5,951
Retail EBITDAF if hedge volume is variable and no risk premium	62,529	63,378	41,406

Netback

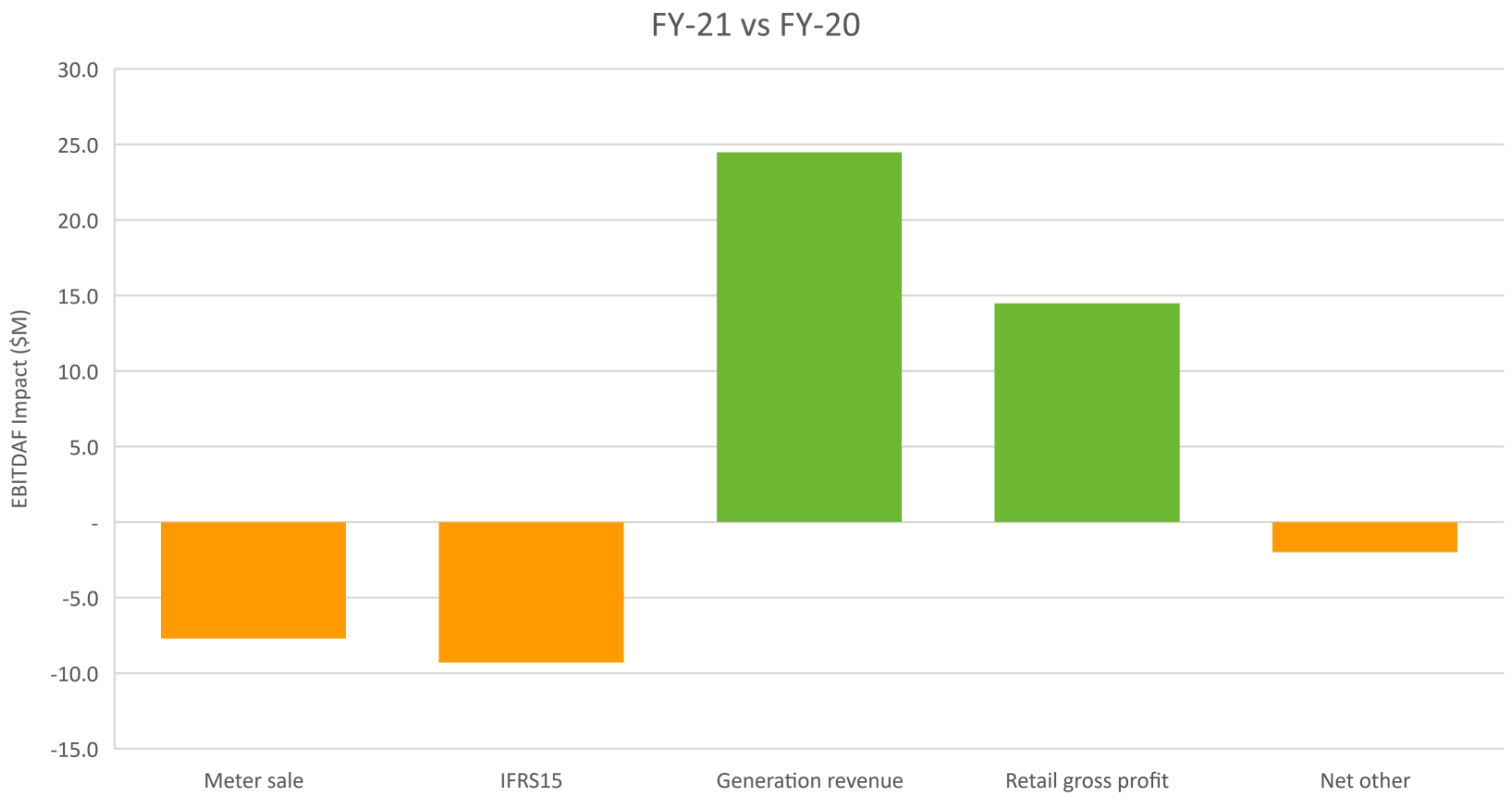


Strong retail profitability reflects:

- Retention of existing customers through excellent service
- Targeting of value adding new customers

Note: includes Fixed Price Variable Volume (FPVV) commercial and industrial customers

Market Guidance Drivers



FY-20 contained 7.5 months of meter asset business contribution. This business was sold in November 2019.

IFRS15 impact is driven by higher amortisation of previous period acquisition costs.

Trustpower is expecting a return to more normal levels of generation production, albeit with wholesale prices lower due to COVID 19

Retail margins are expected to improve substantially, due to increasing telco customer numbers, and retail pricing/cost changes implemented late FY-20 flowing through.

Non-GAAP Measures

- Underlying Earnings is a non GAAP (Generally Accepted Accounting Principles) financial measure. Trustpower believes that this measure is an important additional financial measure to disclose as it excludes movements in the fair value of financial instruments which can be volatile year to year depending on movement in long term interest rate and or electricity future prices. Also excluded in this measure are items considered to be one off and not related to core business such as changes to the company tax rate or impairment of generation assets.
- EBITDAF is a non GAAP financial measure but is commonly used within the electricity industry as a measure of performance as it shows the level of earnings before impact of gearing levels and non-cash charges such as depreciation and amortisation. Market analysts use the measure as an input into company valuation and valuation metrics used to assess relative value and performance of companies across the sector. The EBITDAF shown in the financial statements excludes the Australian business which is a discontinued operation.
- Reconciliation between statutory measures of profit and the two measures above, as well as EBITDAF per the financial statements and total EBITDAF, are given below:

	2019	2020
Profit after tax attributable to shareholders of the Company	**90,650**	**95,071**
Fair value losses / (gains) on financial instruments	5,774	(16,169)
Asset impairments	10,855	7,531
Gain on sale of metering equipment	-	(16,431)
Change in tax treatment of commercial buildings	-	(1,543)
Changes in income tax expense in relation to adjustments	(4,656)	7,019
Underlying Earnings After Tax	**102,623**	**75,748**
Operating Profit	**158,394**	**168,961**
Fair value losses / (gains) on financial instruments	5,774	(16,169)
Gain on sale of metering equipment		(16,431)
Asset impairments	10,855	7,531
Depreciation and amortisation	47,156	42,574
EBITDAF	**222,179**	**186,466**

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