



<b>TRANSPOWER NEW ZEALAND LIMITED</b>	
Half year results for announcement to the market – 28 February 2013	
<b>Reporting Period</b>	6 months to 31 December 2012
<b>Previous Reporting Period</b>	6 months to 31 December 2011

	Amount (millions) 6 months to 31 December 2012	Amount (millions) 6 months to 31 December 2011	Percentage Change
<b>Revenue from ordinary activities</b>	\$453.2	\$378.9	20% increase
<b>Profit (loss) from ordinary activities after tax</b>	\$111.5 (9 cents per share)	\$77.1 (6 cents per share)	45% increase
<b>Net profit (loss)</b>	\$70.7	\$(51.5)	
<b>Interim Dividend Paid/Proposed</b>	\$92.0 (8 cents per share)	\$110.0 (9 cents per share)	16% decrease
<b>Net tangible assets</b>	\$1,057.6 (\$0.88 per share)	\$1,192.5 (\$0.99 per share)	11% decrease
<b>Interim Dividend Payment Date</b>	27 March 2013		

The results are based on unaudited financial statements.

<p><b>Comments: (including:</b></p> <p><b>(i) a brief explanation of any of the above figures necessary to enable them to</b></p>	<p>Transpower New Zealand today released its financial results for the six months ended 31 December 2012.</p> <p>Earnings after tax, prior to net changes in the fair value of financial instruments, were \$111.5 million (December 2011: \$77.1 million), an increase of \$34.4 million. This increase was primarily due to transmission grid upgrade investment resulting in an</p>
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increase in transmission revenue - of \$419.6 million (December 2011: \$344.7 million).

An interim dividend of \$92 million (December 2011: \$110 million) will be paid to the Crown in March. The higher dividend in the prior year was the result of a capital structure review.

Transpower Chairman Mark Verbiest said that the company had performed well in the first half of the year, largely in line with planned expenditure and revenue forecasts. "We commissioned the first of our very large capital projects - the North Island Grid Upgrade - at the end of October 2012, and the remaining two major projects (HVDC Pole3 upgrade and North Auckland and Northland "NAaN" grid upgrade) are due for commissioning in the 2013 calendar year."

"These projects will result in a more reliable and resilient grid for New Zealanders."

"Although our programme of major capital investments is nearing completion, we will continue to implement a range of small to medium sized projects to maintain the reliability and resilience of the grid. Going forward, our focus will be on restricting capital expenditure where possible, while maintaining the integrity of the grid. We will continue to focus on technology initiatives that will improve security and reliability of the grid, while deferring the need to build new lines," said Mr Verbiest.

Transpower's full half year accounts will be published once they are tabled in Parliament, which is expected to be in April 2013.

**(ii) in respect of each half-year period, commentary on the outlook for the remainder of the financial year, including whether the SOE considers it will achieve the financial performance targets in its SCI)**

Transpower considers that it will be materially in line with the financial performance targets in its SCI for the year ending 30 June 2013.