



UBS Australasia Conference

7 November 2016

Sheraton on the Park, Sydney

Contact[™]

Disclaimer



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.

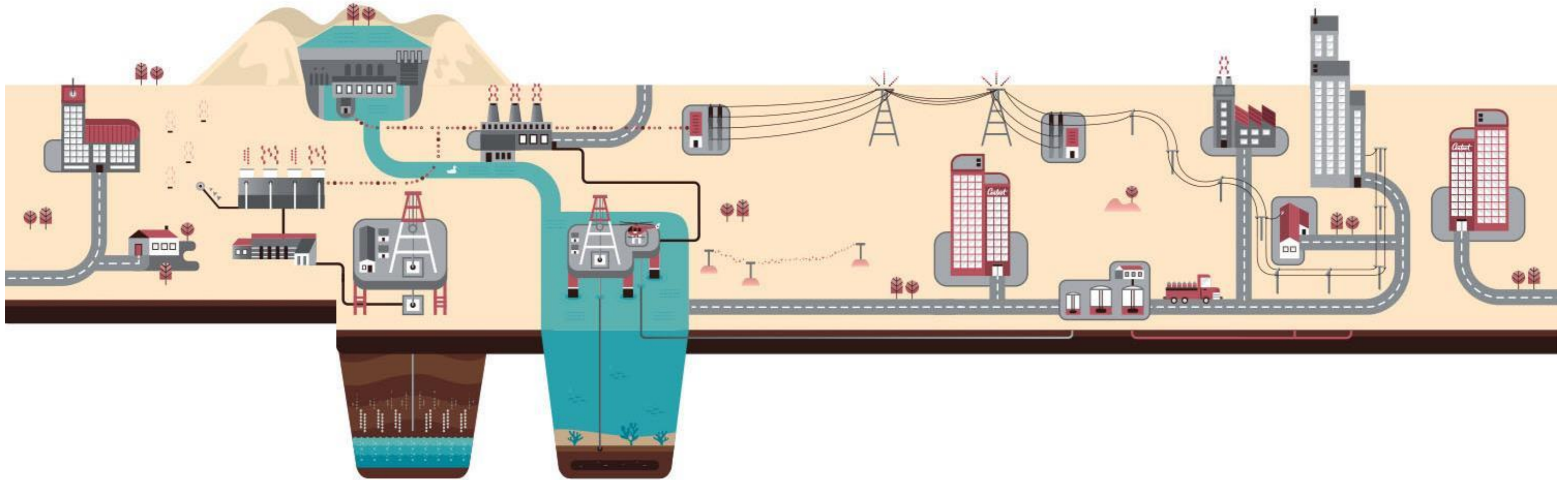
Actual results may differ materially from those stated in any forward-looking statement based on a number of important factors and risks.

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.

Furthermore, while all reasonable care has been taken in compiling this presentation, Contact accepts no responsibility for any errors or omissions.

This presentation does not constitute investment advice.

The New Zealand electricity market



5 Major generators

1/2 Hourly wholesale spot market

1 State-owned national transmission grid operator

29 Distribution businesses

26 Retail electricity brands

2 Million consumers

We are an integrated electricity, gas and LPG business

23%

our share of the electricity generation market in New Zealand

82%

the proportion of electricity Contact generated from renewable resources in FY16

11

power stations, which we own and operate throughout New Zealand

\$31/MWh

the average cost to supply energy to our customers in FY16

22%

our share of the national electricity and gas markets (42% of LPG market)

562k

customer connections across electricity, natural gas and LPG

+8

our current net promoter score

\$84/MWh

the netback we received from retail sales in FY16

29%

three year total shareholder return at 30 June 2016

56c

of free cash flow per share for FY16

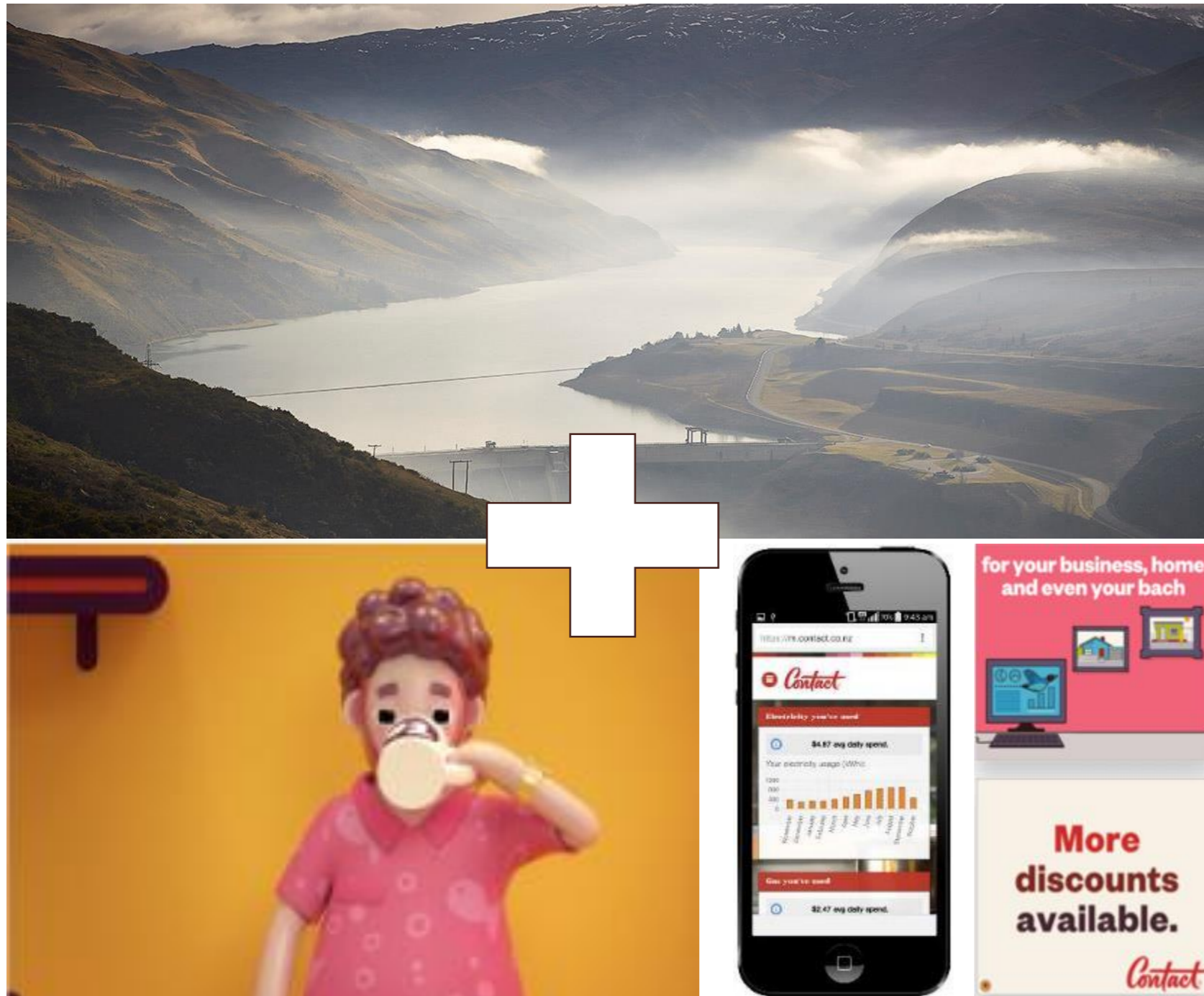
\$1.16cps

total cash distributed to shareholders in the last two years

36%

gearing ratio as at 30 June 2016

Connecting customers and markets to renewable resources



Investments in our generation portfolio have ensured a robust business with low-cost, long-life and flexible generation assets with our focus on safety, reliability and resource utilisation.

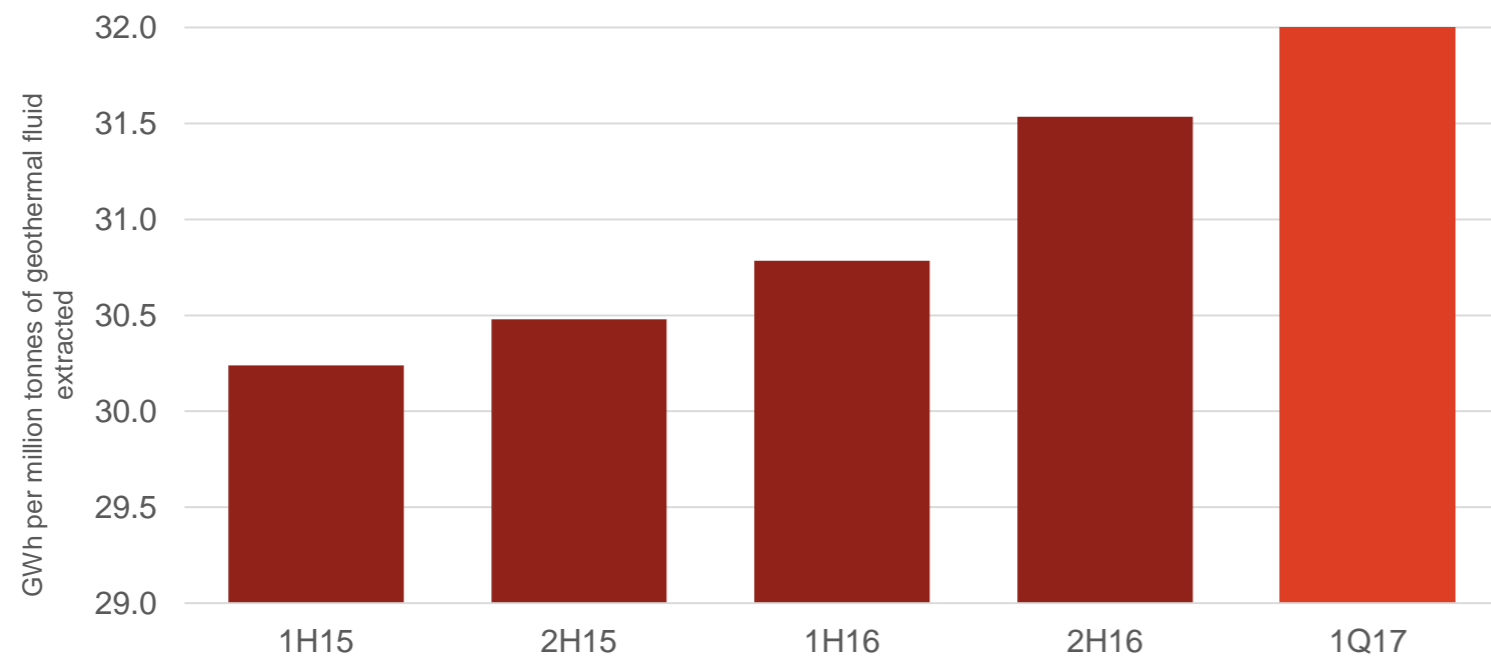


Investments in core systems and capability is providing us opportunities to increase our digital connection to customers, improve our insights through analytics and is an attractive offering for partners in home services and new technologies.

Growth from efficiency gains in our generation fleet

- » We are improving the efficiency of our generation portfolio in particular with our world class geothermal capability

Improving efficiency of conversion (GWh produced per unit of geothermal fluid extracted) at Wairakei, Te Mihi and Poihipi geothermal power stations



- » 6% improvement in conversion efficiency
- » Generation capacity optimisation has increased extraction to 99.9% of consented mass take in 1Q17 (FY16 – 98.9% and FY15 – 93.6%)

- » Consented geothermal development options at Tauhara including direct industrial application capability



3,900
GWh

mean year annual hydro generation

3,300
GWh

expected annual geothermal production

\$57
million

improvement in cost of energy in FY16

Return on investments in systems and capability

We've listened to our customers and delivered

- New products
- Battery and solar trials

We've improved how we operate

- Debt management processes
- Streamlined online experience

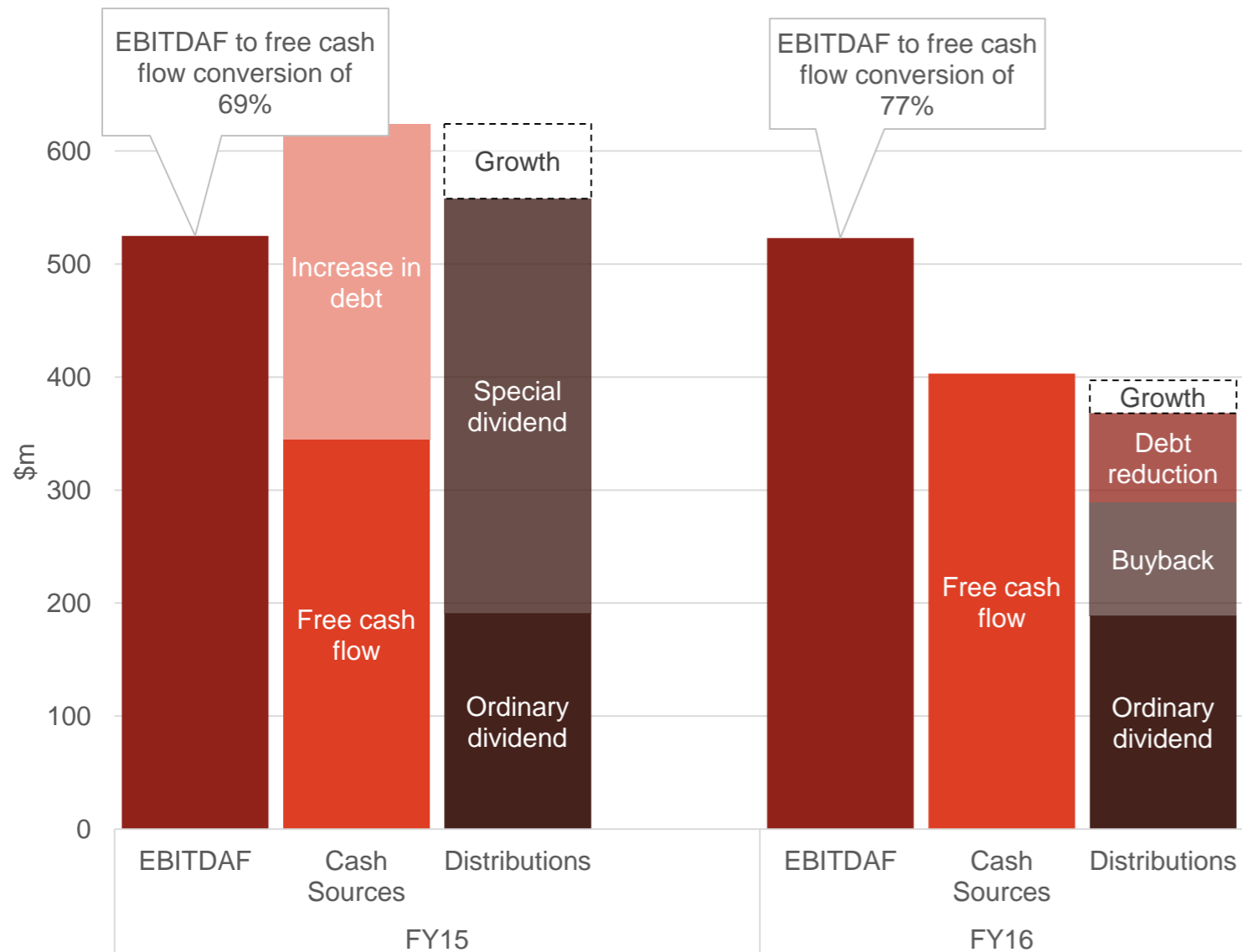
We've organised our business for the new world

- Refreshed customer leadership team
- Digital and analytics capability

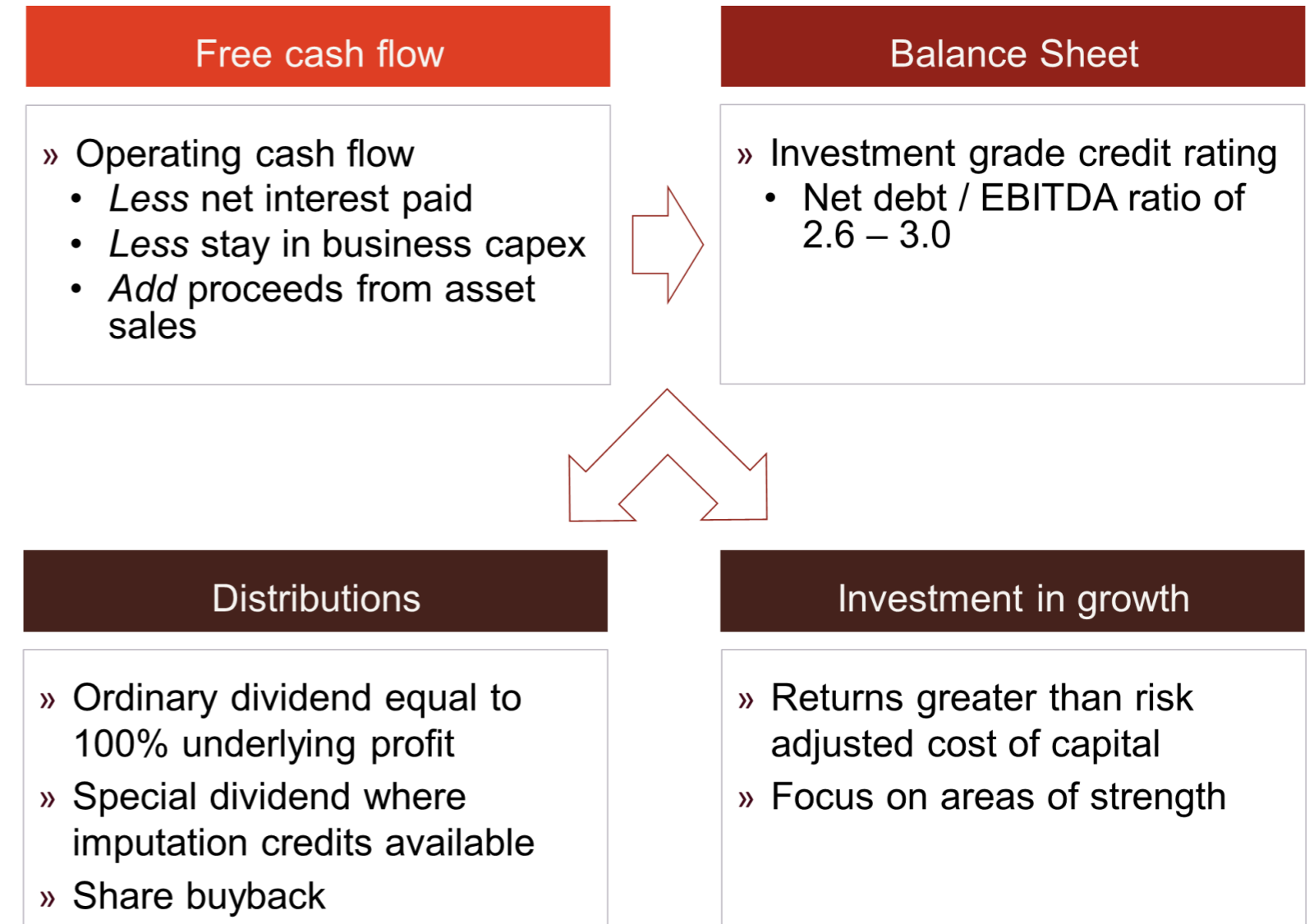
	1H15	2H15	1H16	2H16
Change in customer numbers	-7,300	-1,600	-9,800	+5,380
Average time to answer (seconds)	220	268	222	141
Churn (variance to market)	+2.9%	-0.2%	+1.1%	-1.3%
% of residential customers on >10% discount	63%	70%	76%	82%
% on a fixed term product	9%	10%	11%	24%
% with MM dual fuels or products	18%	20%	20%	22%
Cost to serve per customer	\$113	\$124	\$122	\$106
Number of vacant properties	12,800	11,500	10,000	4,500
Average late bills >30 days	12,000	5,000	2,000	1,100
Bad debt expense (net) as a % of retail revenue	0.55%	0.70%	0.67%	0.52%

Strong cash generation with capital management options

» Strong EBITDAF to free cash conversion



» Capital management options



Summary

- » Contact owns a diverse and flexible generation portfolio requiring minimal investment to deliver strong free cash flow
- » The significant investment in systems and capability in our retail business is starting to deliver results
- » A continuous improvement programme in our generation business
- » Capital management options available once gearing is reduced
- » Open share register provides increased liquidity and flexibility relative to peers

