



Market Announcement

Dated: 12 May 2017

CORRECTIONS TO FULL YEAR RESULT PRESENTATION

Tilt Renewables Limited [NZX, ASX:TLT] released its Financial Result on 11 May 2017.

In the "FY17 Balance Sheet ratios" table on slide 10 of the Investor Presentation released to the market on 11 May, the EBITDA / Interest numbers were incorrect. A corrected version of the presentation is attached.

ENDS

For further information please contact:

Steve Symons
Chief Financial Officer
Phone: +61 419 893 746

Matt Mumme
Manager, Corporate Finance
Phone: +61 409 560 977



**Full Year Results
for the year ending
31 March 2017**

12 May 2017





Agenda

- FY17 Highlights
- FY17 Financial Results
 - Operational performance
 - Financial performance
 - Cash position and distributions
- Strategy and Market Outlook
 - Market and regulatory environment for renewable investment
 - Tilt Renewables strategy
 - Delivery and growth opportunities

Presenters

- **Robert Farron**, Chief Executive
- **Steve Symons**, Chief Financial Officer

Tilt Renewables established

- ✓ Demerger from Trustpower successfully completed 31 October 2016
- ✓ Tilt Renewables now a stand-alone dual listed company on the NZX and ASX with generation and development assets across Australia and New Zealand and a corporate office established in Melbourne
- ✓ Experienced board, management and broader team assembled with collective 250+ years of renewables track record drawn from leading players in the sector

Solid operating performance and financial position

- Earnings Before Interest, Tax Depreciation, Amortisation, Fair Value Movements of Financial Instruments (“EBITDAF”) of \$124.0 million achieved
- The development pipeline has been expanded with the acquisition and signing of landholder options for 350 MW of early stage solar projects in central Queensland
- 54 MW Salt Creek Wind Farm project in Victoria is well advanced and targeted to achieve Final Investment Decision by 30 June 2017
- Net cash from operating activities of \$122.2 million delivered in the financial year
- Well-capitalised with undrawn corporate debt facilities and unrestricted cash in the order of A\$140 million as at 31 March to fund further growth
- Final dividend payment of AUD 2.25 cents per share brings total payout to investors for the year to AUD 5.25 cents per share



Previous employers of our experienced team

FY17 Financial Results

- Operational performance
- Financial performance
- Cash position and distributions





Operational performance overview

Operating performance

- Tilt Renewables' wind portfolio produced 2,049 GWh of emission free energy in FY17, 6% higher than the previous year and ~95 GWh above long term expectations
- Wind speeds were well above average in New Zealand and slightly above average in Australia
- Asset availability levels above target in Australia also helped contribute to the 9% production uplift on FY16

Safety, environment and community

- 380 days Lost Time Injury free for employees and contractors
- Lead indicator targets being set to drive positive outcomes and manage critical risk across the Tilt Renewables portfolio
- Community engagement remains a key focus to understand concerns and build trust with our stakeholders. In FY17 we continued to support communities through the Trustpower Lend A Hand Foundation and university scholarships.

Energy production – 12 months ending 31 March

GWh	FY17	FY16	△%
Australia	1,305	1,201	9%
New Zealand	744	724	3%
Total	2,049	1,925	6%

Safety performance – 12 months ending 31 March

Measure	FY17 performance
Total recordable injury frequency rate (TRIFR) ¹	0 per million work hours
Lost time injury frequency rate (LTIFR) ²	0 per million work hours
Lost time injuries (LTI)	0

Notes:

Safety incident frequency rates are measured on a rolling 12-month basis including contractor statistics.

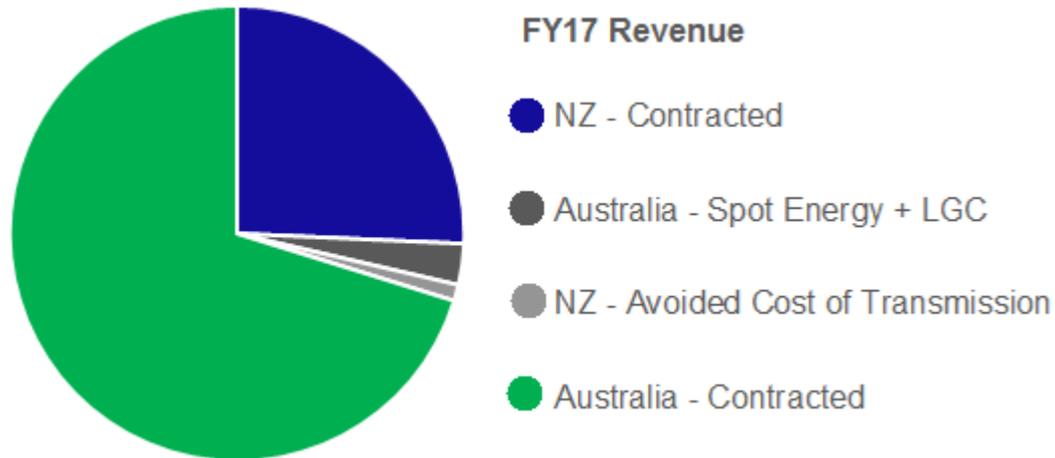
(1) TRIFR is calculated as the number of lost time injuries and applicable medical treatment incidents multiplied by 1 million divided by total hours worked

(2) LTIFR is calculated as the number of LTIs multiplied by 1 million divided by total hours worked

Financial Performance - Revenue

Contracting mix and price certainty

- Revenue from electricity/large-scale generation certificates sales and avoided transmission up 8% on FY16 due to:
 - stronger production, inflation of Australian power purchase agreement pricing and stronger LGC prices for uncontracted Australian production.
 - New Zealand revenue including post-demerger production sold under the new PPAs with Trustpower, was slightly down on the prior period
 - Avoided Cost of Transmission revenue reduced in line with expectations



- NZ production 100% contracted under long term PPA with Trustpower with pricing fixed to March 2021
- Australian production is 96% contracted through bundled (energy + LGC) PPAs, with residual merchant exposure on 10.6% of Snowtown I production

Full year revenue – ending 31 March

	Energy Revenue (Electricity sales)			Green / ACOT Revenue (Large-scale Generation Certificates and Avoided Cost of Transmission)		
	FY17	FY16	Δ%	FY17	FY16	Δ%
Australia – Revenue A\$M	76.9	68.5	12%	50.8	45.9	11%
<i>Australia – average price AUD/MWh</i>	<i>58.9</i>	<i>57.0</i>	<i>3%</i>	<i>38.7</i>	<i>38.2</i>	<i>1%</i>
New Zealand – Revenue A\$M	44.8	44.9	0%	2.0	2.9	(31%)
<i>NZ – Average price AUD/MWh</i>	<i>60.2</i>	<i>62.1</i>	<i>(3%)</i>	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>

Average prices are calculated by dividing total electricity and LGC revenue by portfolio production

	FY17	FY16	Δ%
Group Electricity Revenue	174.3	162.2	8%
Other revenue	0.2	0	n/a
Group Operating Revenue	174.5	162.2	8%

Financial Performance - Summary Profit & Loss

FY17 Profit & Loss A\$M	FY17	FY16	%Δ
Revenue	174.6	162.2	8%
EBITDAF ¹	124.0	124.7	(1%)
Depreciation	(74.0)	(68.5)	8%
Net financing costs	(31.9)	(34.2)	(7%)
Net revaluation of derivatives	7.8	3.8	103%
Income tax expense	(9.6)	3.4	(384%)
Net profit after tax	16.4	29.1	(44%)
Shares on issue	312.97M	312.97M	-
Earnings per share cps	5.2 cps	9.3 cps	(44%)

Financial highlights for FY17

- Higher revenue due to stronger production, inflation of Australian power purchase agreement (“PPA”) pricing and stronger LGC prices for uncontracted Australian production
- EBITDAF 1% below FY16 but slightly above management expectations
- Lower EBITDA on higher production is largely driven by:
 - additional ancillary market fees in Australia;
 - one-off costs relating to Snowtown I blade repairs;
 - decreased allocations of maintenance fees to capital across the portfolio resulting in higher O&M expense; and
 - higher corporate and establishment costs relating to the part year under standalone Tilt Renewables management
- Lower financing costs as a result of lower interest rates (net of swaps) and reduced related party interest post demerger
- Positive impact on net revaluation of derivatives reflects full mark-to-market on Interest Rate Swap portfolio
- NPAT driven lower by higher depreciation and higher income tax expense relating to demerger transaction

Notes:

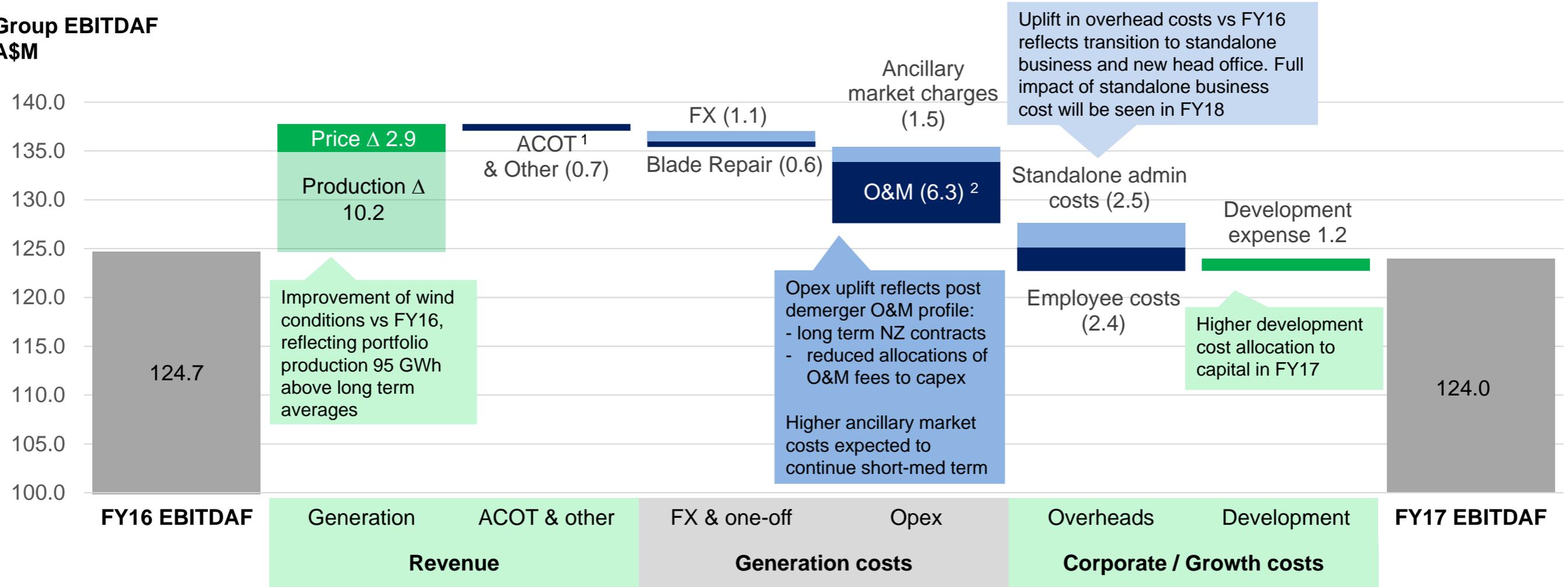
(1) EBITDAF = Earnings Before Interest, Tax Depreciation, Amortisation, Fair Value Movements of Financial Instruments



Financial Performance - EBITDAF variance from prior period

- FY17 EBITDAF of \$124.0 million was 1% down on FY16, with improved revenue offset by higher costs related to the standalone business

Group EBITDAF A\$M



Notes:

(1) ACOT = Avoided Cost of Transmission revenue for New Zealand assets

(2) O&M = operating expense component of fees payable under longer term wind farm operations and maintenance (O&M) contracts

Financial Performance - Balance Sheet

Summary Balance Sheet	FY17	FY16	△
Cash	27.0	5.1	21.9
Receivables & prepayments	19.8	26.3	(6.5)
Property, Plant & Equipment (PPE)	1,241.0	1,161.7	79.3
Other assets	4.7	0.1	4.6
Total assets	1,293.1	1,193.3	99.8
Bank loans ¹	570.8	538.8	32.0
Payable and accruals ²	23.6	82.6	(59.0)
Other liabilities	9.1	12.3	(3.2)
Deferred tax liability	167.9	134.4	33.5
Total liabilities	771.4	768.0	3.4
Net assets / Total equity	521.7	425.3	96.4

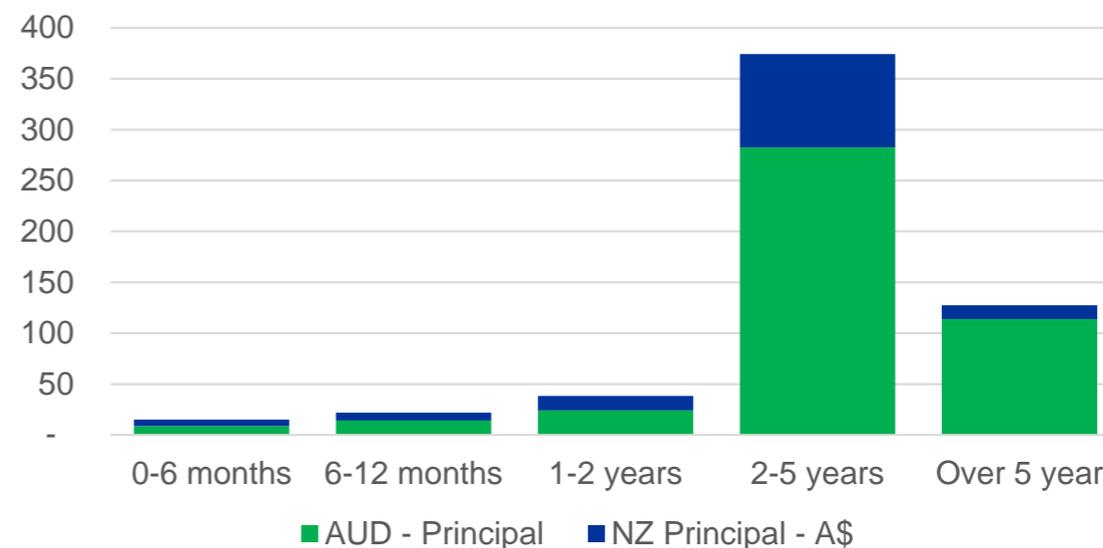
- Net Debt of A\$ 544M as at 31 Mar 2017
 - Bank loans of A\$ 571M (including current portion)
 - Less Cash on hand of A\$ 27M
- Increase in Bank loans offset by reduction of related-party loans with Trustpower by A\$ 62M within Payables and accruals
- Receivables includes A\$ 4.4M of LGC inventory at 31 Mar 2017
- PPE uplift reflects capex plus A\$ 132M upwards revaluation based on independent valuation of assets with tax effect booked to Deferred tax liability

(1) Includes outstanding bank debt less capitalised financing costs

(2) Includes related party payables with Trustpower

FY17 Balance Sheet ratios	FY17	FY16
Balance sheet gearing Net debt / (Net debt + equity)	51%	56%
Net Debt / EBITDAF	4.4x	4.3x
EBITDAF / Interest expense	3.8x	3.6x

Debt maturity profile (A\$M)

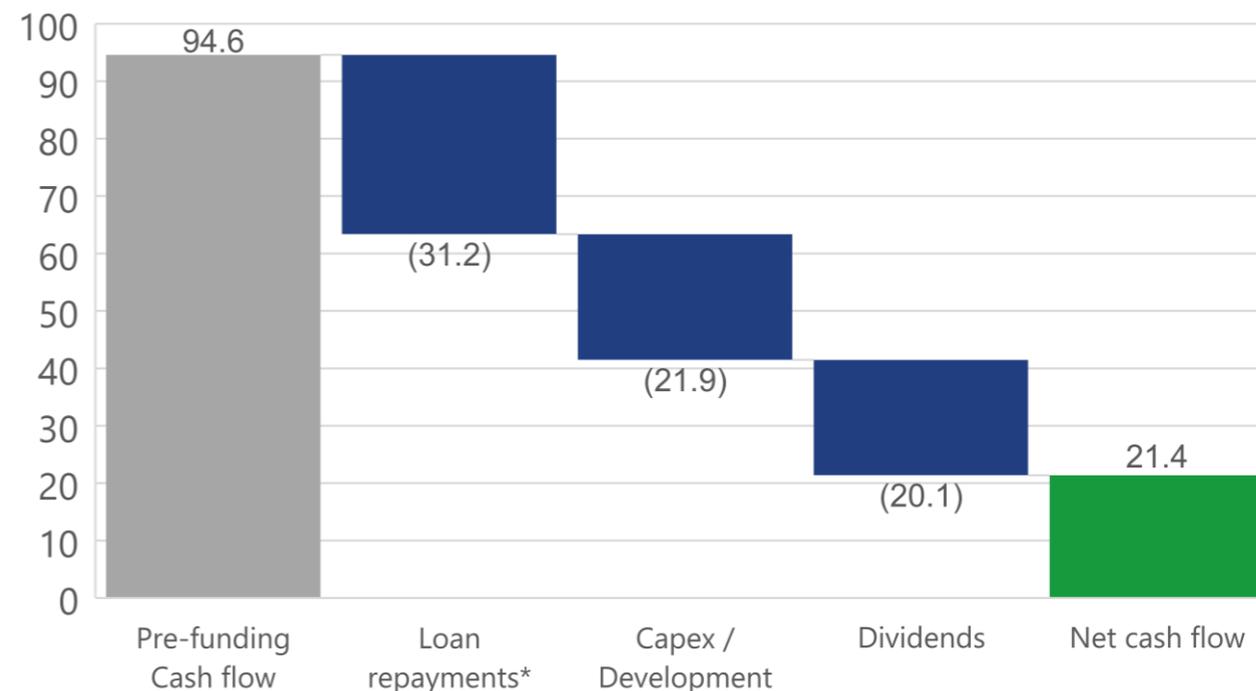


Cash position and distributions

- Cash from operating activities less interest payments
- Strong cash flow generated by contracted operating assets
- Application of free cash focus on three areas:
 - Amortisation of bank debt
 - Capex on existing portfolio and advanced development projects
 - Payment of dividends

FY17 Group Cash Flow	A\$M
Net cashflow receipts / payments	128.6
Tax payments	(6.4)
Net cash flow from operating activities	122.2
<i>add back</i> Development expenses	4.6
<i>less</i> Interest paid	(32.1)
Pre-funding Cash flow before loan repayment, investment and dividends	94.6

Cash flow waterfall (A\$M)



* Includes repayments of bank loans and related party loans with Trustpower

- Tilt Renewables has declared an AUD 2.25 cents per share final dividend with a record date of 26 May 2017 and payment date of 9 June 2017. This brings the full year equivalent dividends to AUD 5.25 cents per share.
- Final dividend payout ratio sits at upper end guidance, 25 to 50% of net operating cash flow after debt service since demerger.



Strategy and Market Outlook



Current market and regulatory environment for renewables investment



Australia's COP21 emissions reduction commitment (26-28% by 2030) requires significant changes to the generation mix.



Ambitious state-based renewable targets have yet to trigger meaningful long-term demand for renewables. ACT feed-in-tariff auctions in 2016, likely to be followed by VIC scheme in CY2017 (~40% renewables target to support ~5GW new build by 2025).



Ageing thermal generation capacity in the Australian National Electricity Market needs to be refreshed with 75% operating beyond its original design life.



Lack of clear energy and climate policy puts Australia at risk as an investment destination. Government's fluid position on policy and technology (e.g. clean coal, gas, nuclear and large hydro) is problematic for investor confidence.



Falling cost curve for technology (solar, wind, storage, electric vehicles) has the potential to reshape energy markets.

Australian (Large-scale) Renewable Energy Target - LRET

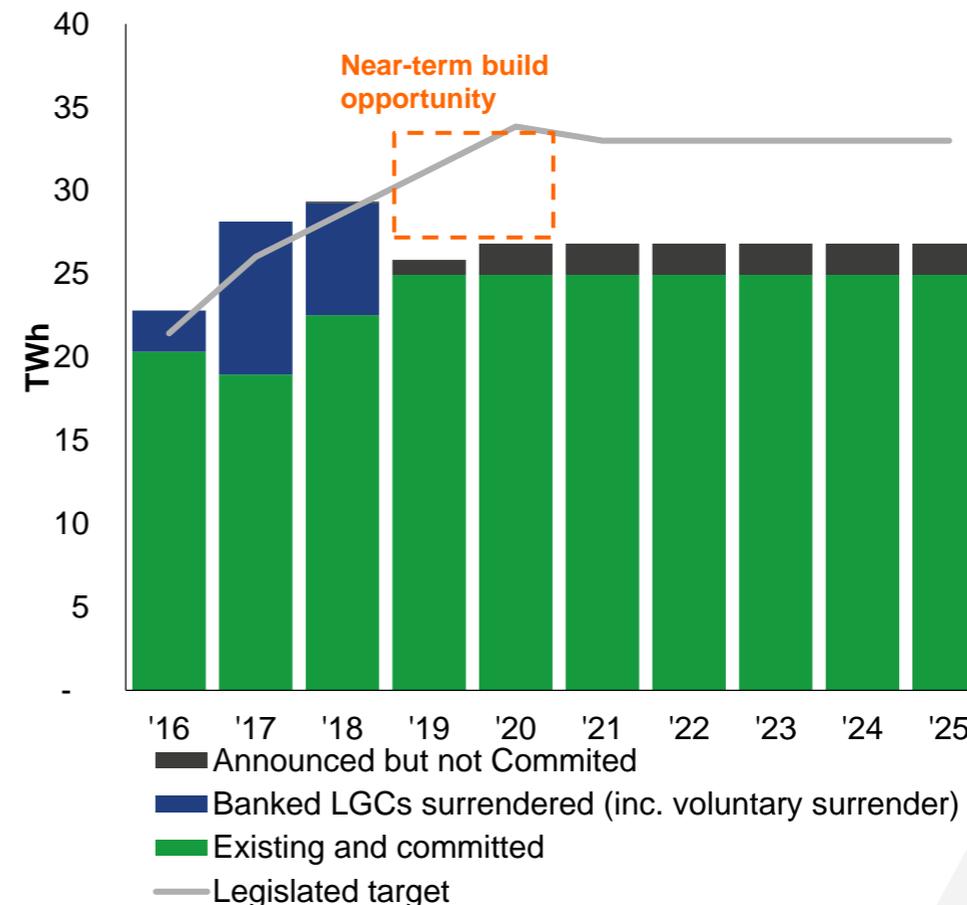
- Recent activity in LRET market

- Origin divest Stockyard Hill 530 MW wind and Darling Downs solar with PPA
- AGL attracting low-cost capital through Powering Aust Renewable Fund
- Energy Australia contracting 500 MW (Bodangora wind, Ross River solar)
- ERM Power paid penalty (\$65 non tax deductible to utilise tax loss position)
- Tier 1 retailer activity largely related-party and/or opportunistic projects
- Low bundled prices achieved in market appear to be linked to equity investors with low return, low operational risk expectations. Headline “all-in” PPA prices A\$55-70 contradicts our view of underlying market fundamentals
- 1GW+ of solar and wind PPAs signed in calendar 2017 to date
- Numerous other projects rumored to be close to FID

- Implications for Tilt Renewables

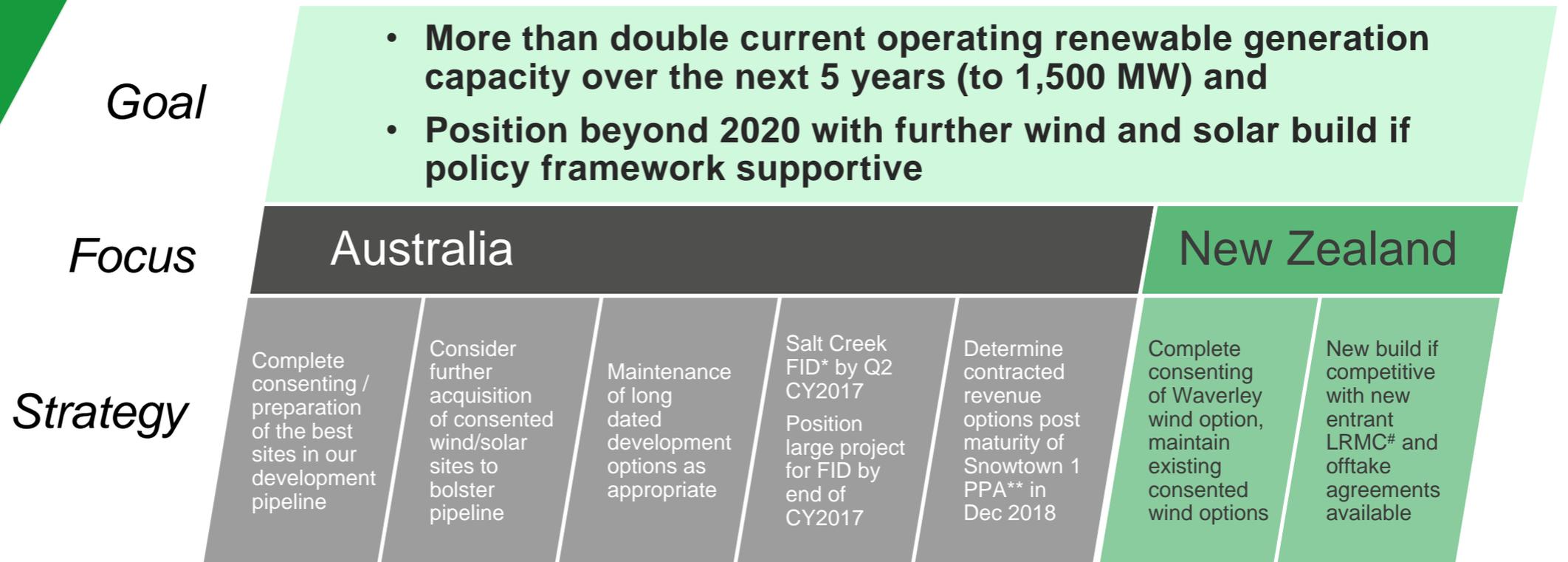
- Progressing Salt Creek to FID on a merchant basis
- Positioning development projects to participate in future renewable auctions and provide flexibility to manage future pricing risk across the portfolio. Our strategic approach aims to deliver returns beyond existing RET window
- Remain alert to M&A opportunities as financial investor packaged projects roll off PPA and/or O&M contract. Tilt Renewables’ track record and portfolio places it as a potential natural owner of these assets

Estimated annual LRET demand and supply



Source: Tilt Renewables, Green Energy Markets, Company announcements

Tilt Renewables strategy



* Financial Investment Decision

** Power Purchase Agreement

Long-run Marginal Cost

Development pipeline positioned for delivery

- Development pipeline of circa 2,200 MW in Australia:
 - 450MW projects with environmental approvals, with a further 300MW subject to appeal
 - 350 MW of credible solar options added to portfolio in Q4 FY17
- 530 MW New Zealand wind pipeline – 400 MW consented
- Development priorities:
 - Salt Creek Wind Farm final investment decision – target mid CY2017
 - Progress key projects in pipeline to ‘shovel ready’ status with decisions for Palmer (appeal hearing), Rye Park (Planning Assessment Commission) and Waverly environmental consent hearings all expected over the next 6 months
 - Expanding solar portfolio in Queensland plus co-location at Snowtown/Waddi
 - Targeted acquisition opportunities - quality renewable projects to bolster pipeline or operating base
 - Targeting that the Group will have over 1,200 MW of consented projects in Australia and 530 MW in New Zealand by the end of 2017
- Evaluating ‘enabling’ technologies to assist with integration of renewables e.g. storage technology



Overview of key development projects

Advanced projects	Technology	Location	Potential Size (MW)
Salt Creek	Wind	VIC	54
Dundonnell	Wind	VIC	300
Rye Park	Wind	NSW	300
Palmer	Wind	SA	300
Advanced projects			Circa 950
Other developments	Technology	Location	Potential Size (MW)
VIC wind options	Wind	VIC	300
NSW wind options	Wind	NSW	400
WA wind options	Wind	WA	105
Co-located solar options	Solar	WA/SA	70
QLD solar options	Solar	QLD	350
NZ wind options	Wind	NZ	530
Total			Circa 1,750



Advanced project profile - Salt Creek Wind Farm

Final stages of contract negotiation

- EPC and long-term O&M contract with preferred wind turbine supplier (Vestas)
- Connection Services Agreement – construction of connection assets and ongoing connection services (AusNet Services)

Remaining consents and approvals being finalised

- Landowner lease in place; transmission easements to be novated to AusNet
- AEMO Use of System agreement finalized early June with Generator Performance Standards agreed

Clear pathway to financial close

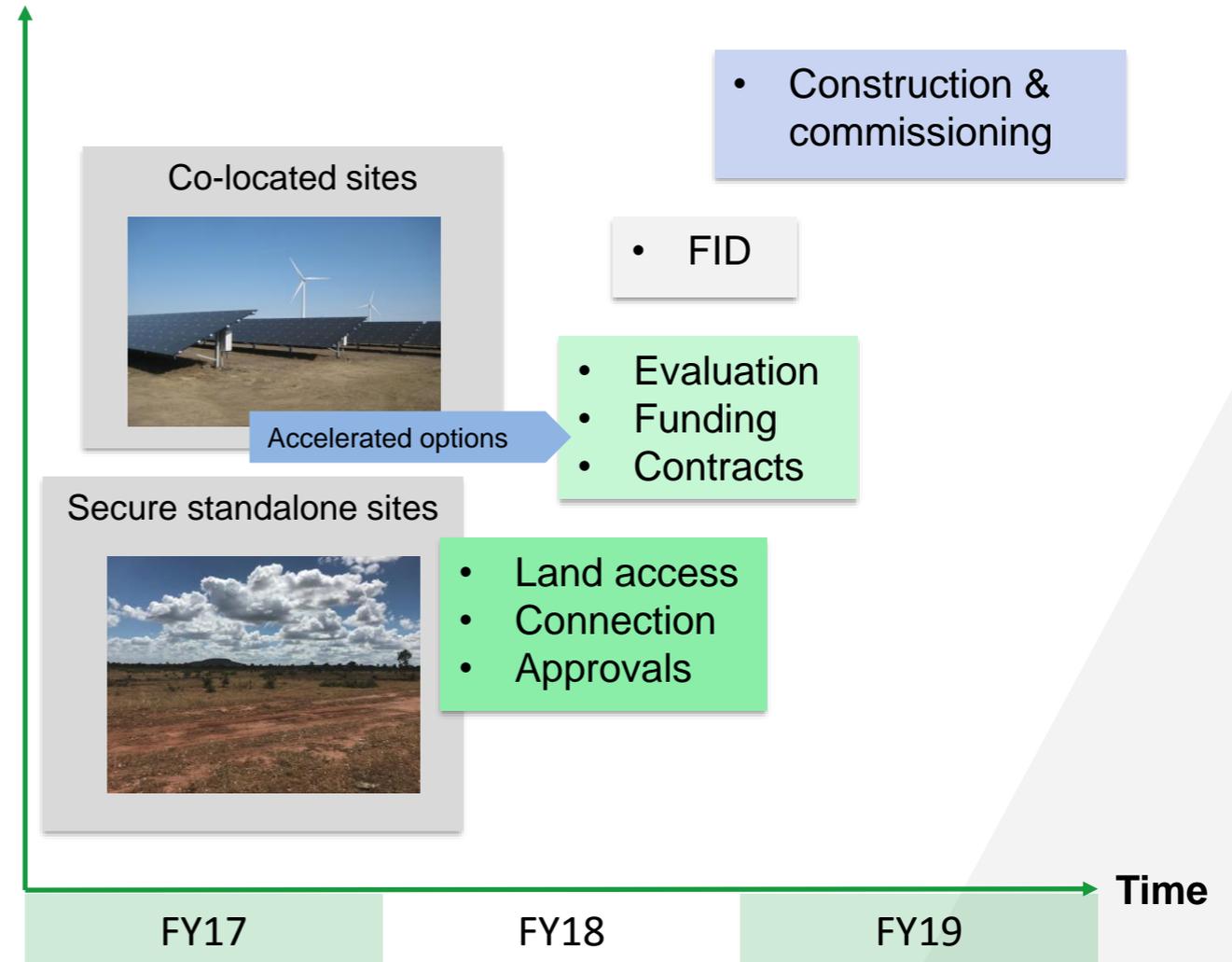
- Project to be funded with existing committed undrawn corporate debt facilities with 4+ year tenor and cash
- Interest rate and FX hedging upon financial close
- Business case presented to Tilt Renewables Board based on fully merchant plant with flexibility to participate in proposed VRET scheme or contract PPA pre/post construction

Key project stats	Salt Creek Wind Farm
Turbines	15 x Vestas 3.6 MW
Installed Capacity	54 MW
Annual production	172 GWh lifetime average
Capacity factor	36% average
Construction period	12 months
Funding	Undrawn debt facilities and cash balances
Offtake	Energy/LGCs sold to spot (merchant) market
Maintenance	25-year O&M contract with Vestas
Target FID	Mid calendar 2017

Solar development

- Solar development portfolio established in late FY17
 - Nebo solar project (up to 50 MW, 6km from Mackay, Queensland)
 - Dysart solar project (up to 50 MW, 8km from Mackay, Queensland)
 - Central Queensland solar project (up to 250 MW)
- Targeting projects with sub 12 month consenting timelines
- Sites have good transmission options
 - Transmission connection options located on, or immediately adjacent to sites
 - Preliminary enquiries with network providers positive
- Excellent solar resource, simple site with minimal vegetation
- Supportive landowners, community and local councils
- Development pathway
 - Progress remaining land access approvals
 - Confirm optimal project sizing and connection options
 - Secure environmental approvals
 - Financial evaluation, key contract negotiation and progress to FID
- Accelerated solar options through smaller scale co-located projects
 - Waddi wind and solar (105 MW / 40 MW in WA) fully consented
 - Landowners signed / progressing approvals for Snowtown I solar (circa 30 MW)
 - Other options at Snowtown II to utilise existing transmission infrastructure

Investment Certainty



FY17 full year performance Balanced Scorecard

FY17 result	Units	FY17	FY16	%Δ
Safety – TRIFR ¹	per 1M hrs	0	n/a	n/a
Production	GWh	2,049	1,925	6%
Revenue	AUD \$M	174.5	162.2	8%
Operating costs	AUD \$M	(36.3)	(27.1)	(34%)
Corporate costs	AUD \$M	(9.6)	(4.7)	(106%)
Development costs	AUD \$M	(4.6)	(5.8)	21%
EBITDAF ²	AUD \$M	124.0	124.7	(1%)
Net profit after tax	AUD \$M	16.4	29.1	(44%)
Earnings per share	AUD cps	5.2	9.3	(44%)
Distributions per share – Final	AUD cps	2.25	n/a	n/a
Distributions per share - Interim	AUD cps	3.00	n/a	n/a

Notes:

(1) TRIFR = Total Recordable Incident Frequency Rates (see slide 07 for definition)

(2) EBITDAF = Earnings Before Interest, Tax Depreciation, Amortisation, Fair Value Movements of Financial Instruments



FY18 outlook – some specific guidance relative to FY17 actuals

Performance area	Relative guidance	Indicative impact (relative to FY17)
Revenue	Normalised P50 production and full year pricing impacts of NZ PPAs	A\$ 4M to 5M lower revenue
Corporate costs	Full year of corporate costs under new organisation structure	A\$ 4M to 5M higher expense
Development costs	Expensed development costs expected to normalise to A\$ 7.5M	~A\$ 3M higher expense

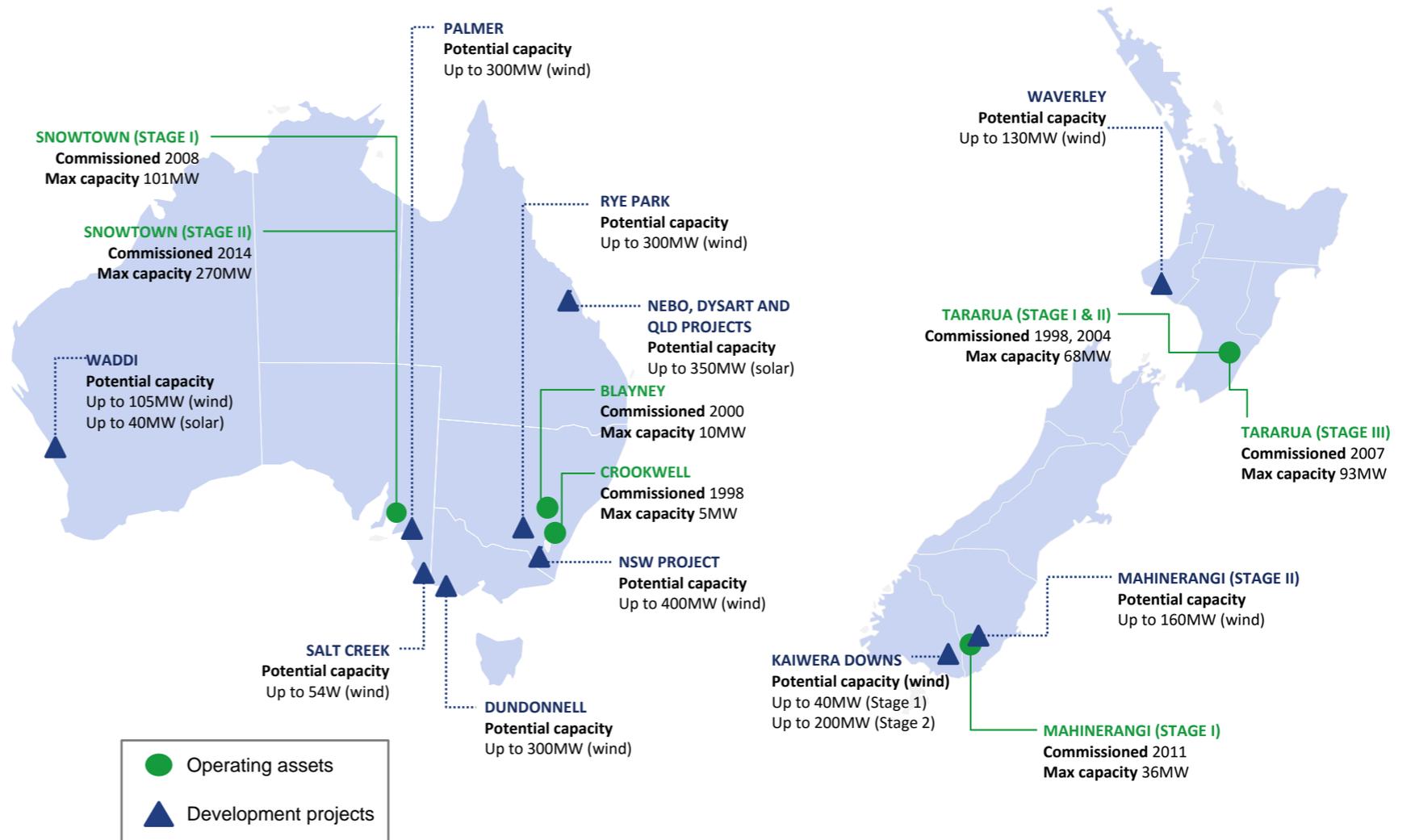




APPENDIX: Tilt Renewables – 582 MW operational and 2,700 MW+ development

Investment highlights

- ✓ Tilt Renewables is a significant and established owner, operator and developer of wind farm assets, with an operating portfolio of 582 MW of assets located in high wind resource regions
- ✓ Tilt Renewables has a high level of contracted revenue, with counterparties including Origin Energy and Trustpower providing stable and predictable cashflows
- ✓ Tilt Renewables has a development pipeline of more than 2,700 MW of wind and solar projects across Australia and NZ
- ✓ Tilt Renewables management team and Board has extensive renewables energy development and operational expertise
- ✓ Existing shareholder base supportive of Tilt Renewables' strategy and development plans
- ✓ Australia is an attractive long-term investment market for renewable energy, with the 33,000GWh RET to be achieved by 2020 requiring a further 3,000 MW of new renewable generation capacity to be built within the next four years
- ✓ Long-term expansion of Australia and New Zealand renewable energy generation capacity is supported by global trends toward decarbonisation, replacement of existing thermal generation capacity and continue technology / cost advances





Notes on financial information

Notes on currency conventions

1. All financial information in this publication is presented in Australian dollars unless otherwise specified.

Notes on non-GAAP Measures

2. EBITDAF is a non GAAP financial measure but is commonly used within the energy and infrastructure sectors as a measure of performance as it shows the level of earnings before the impact of gearing levels and non-cash charges such as depreciation and amortisation. Market analysts use this measure as an input into company valuation and valuation metrics used to assess relative value and performance of companies across the sector.
3. Net debt is a measure of indebtedness to external funding providers net of deposits held with those providers and is defined as bank loans less cash at bank.
4. Balance sheet gearing is defined as $\text{Net Debt} / (\text{Net Debt} + \text{Equity})$



Disclaimer

This presentation is issued by Tilt Renewables Limited. While all reasonable care has been taken in the preparation of this presentation, Tilt Renewables Limited and its related entities, directors, officers and employees (collectively “Tilt Renewables”) do not accept, and expressly disclaim, any liability whatsoever (including for negligence) for any loss howsoever arising from any use of this presentation or its contents. This presentation is not intended to constitute legal, tax, investment or accounting advice or opinion. No representation or warranty, expressed or implied, is made as to the accuracy, completeness or thoroughness of the content of the information. All information included in this presentation is provided as at the date of this presentation. Except as required by law or NZX or ASX listing rules, Tilt Renewables is not obliged to update this presentation after its release, even if things change materially. The reader should consult with its own legal, tax, investment or accounting advisers as to the accuracy and application of the information contained herein and should conduct its own due diligence and other enquiries in relation to such information. The information in this presentation has not been independently verified by Tilt Renewables. Tilt Renewables disclaim any responsibility for any errors or omissions in the information contained in this presentation, including market statistics, financial projections and forecasts. No representation or warranty is made by or on behalf of the Tilt Renewables that any projection, forecast, calculation, forward-looking statement, assumption or estimate contained in this presentation should or will be achieved. Any forward-looking statements or projections are based upon current expectations and involve risks and uncertainties. Actual results may differ materially to those stated in any forward-looking statement or projections based on a number of important factors and risks that are not all within the control of Tilt Renewables and cannot be predicted by Tilt Renewables. This presentation may contain a number of non-GAAP financial measures. Because they are not defined by GAAP or IFRS, they should not be considered in isolation from, or construed as an alternative to, other financial measures determined in accordance with GAAP. Although Tilt Renewables believes they provide useful information in measuring the financial performance of Tilt Renewables Limited, readers are cautioned not to place undue reliance on any non-GAAP financial measures. Tilt Renewables does not guarantee the performance of Tilt Renewables Limited, the repayment of capital or a particular rate of return on Tilt Renewables Limited securities. Tilt Renewables is not a financial adviser and is not licensed to provide investment advice. This presentation is for general information only and does not constitute investment advice or an offer, inducement, invitation or recommendation in respect of Tilt Renewables Limited securities. The reader should note that, in providing this presentation, Tilt Renewables has not considered the objectives, financial position or needs of the reader. The reader should obtain and rely on its own professional advice from its legal, tax, investment, accounting and other professional advisers in respect of the reader’s objectives, financial position or needs. The contents of this presentation may not be reproduced or republished in any manner without the prior written consent of Tilt Renewables.

IMPORTANT NOTICE Nothing in this presentation should be construed as either an offer to sell or a solicitation of an offer to buy Tilt Renewables Limited securities in the United States or any other jurisdiction. Securities may not be offered or sold in the United States or to, or for the account or benefit of, US persons (as such term is defined in Regulation S under the US Securities Act of 1933) unless they are registered under the Securities Act or exempt from registration.