ABN AMRO INVESTOR CONFERENCE
NEW ZEALAND DAY

contact

Sydney, Australia
1 March 2006

Important Notice

Certain statements in this presentation are or maybe forward looking and actual results may differ depending on a variety of factors. This announcement should not be relied upon as a recommendation to buy or sell shares in Origin Energy Limited or Contact Energy Limited. Nothing in this release should be construed as either an offer to sell or a solicitation of an offer to buy or sell shares in any jurisdiction.

Any shareholder action required in connection with the proposed transaction will only be set out in documents to be published in due course and any decision made by shareholders should be made solely on the basis of information provided in those documents.

ContactOrigin - Merger Proposal

Phil Pryke
Chair, Independent Directors Committee

Contact and Origin have announced a plan to to merge by way of a dual-listed company structure named ContactOrigin

- A$7 billion combined market capitalisation
- Over A$1 billion EBITDA per annum
- A$8.8 billion assets
- A$5.5 billion sales
- 2.6 million customers in Australia, New Zealand and Pacific
- Interests in around 3,000 MW of hydro, geothermal and thermal installed generation capacity
- 4000+ employees
- Strong growth pipeline

…creating Australasia's largest integrated energy company

Origin approached Contact with the proposal to merge by way of a dual-listed company structure……

- Independent Directors Committee (IDC) established consisting of Phil Pryke – Chairman, Tim Saunders, John Milne
- Advisors engaged to assess the proposal, detailed financial modeling undertaken to provide advice to the IDC on the merits of the proposal
- First New Zealand Capital appointed to prepare an independent appraisal for shareholders
- Regulatory, High Court and Contact minority shareholder approvals are required for the proposal to be implemented
- Explanatory Memorandum to provide further information to inform shareholders decision

… the IDC expects the proposal to unlock significant additional value and believes it is fair to Contact shareholders

Since Origin's acquisition of this interest it has been clear that there is a common strategic interest and alignment of skills...

- Origin and Contact are pursuing similar strategies of building an integrated energy business across fuel, generation and retail segments
- Many issues faced by the companies are the same – such as how to best create value in energy retailing
- The companies also face a range of different, but often complementary, strategic issues
  – Contact faces fuel scarcity issues while Origin has exploration and production skills
  – Origin is seeking to grow its generation business in Australia while Contact has extensive generation experience in New Zealand

…..but it is increasingly apparent that accessing the benefits of that alignment are constrained by the ownership structure

Combining the business will create additional value

- A business combination could bring together two very successful high performing Australasian companies that are complementary
- Origin has exploration skills and interests Contact does not have while Contact is particularly strong in generation - both are strong in retail
- A business combination would allow New Zealand investors to share the benefit of Origin's strong Australian business
- This greater scale and Australasian diversity would enhance the financial flexibility of the group, improve credit rating and reduce risk
- For example the risks of importing LNG and upstream exploration should be more manageable through a larger combined business than if borne by Contact alone.

The independent directors believe that the DLC merger will bring benefits to shareholders of Contact Energy….

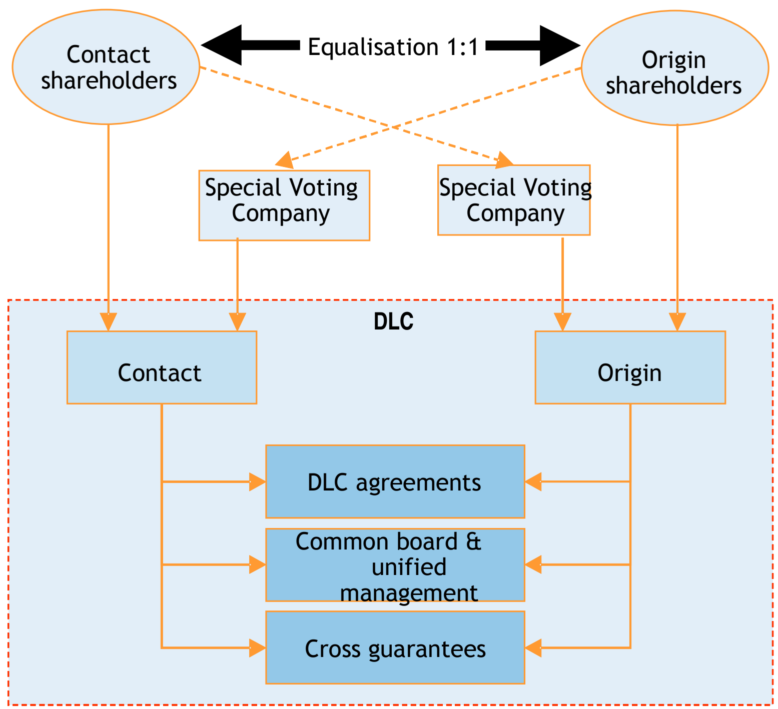
- They will have the advantage of holding shares in the merged business through a New Zealand listed company thereby retaining primary listing on the NZX and access to dividend imputation.
- The merger ratio is a market based ratio (75.7:24.3) is based on volume weighted average share prices of the two stocks:
  - Market based
  - Adopts precedent used in the Rio-Tinto DLC
  - 9 month period
- The DLC dividend policy will target a payout ratio of 60%.
- Future dividends will be at least consistent with the dividends Contact shareholders should have otherwise expected to receive under the current Contact policy of paying out 80% of earnings per share as a dividend.
- Shareholders will therefore gain an increased share of earnings.

….and that the merger ratio that sets Contact shareholders share of the merged business is fair

Annex: Description of the DLC

- A DLC is a merger achieved by contract
  - Creates a single economic group in which Origin and Contact shareholders have an identical economic interest
- The economic interests of each group of shareholders is fixed by the merger ratio at the time of entering the DLC
- The companies share
  - Common board and unified management
  - Single credit pool
  - Common dividend policy
  - Combined published accounts
- Each company retains
  - Separate legal identity
  - Separate listing
- The proposed DLC follows the successful models created by BHP Billiton and Rio Tinto

DLC structure



2005/06 Interim Financial Result

David Hunt
Chief Executive

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 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.

Technical Note

This result presents Contact's first financial result since the adoption of New Zealand equivalents of International Financial Reporting Standards (NZIFRS).

Contact implemented NZIFRS with effect from 1 July 2005. Contact's date of transition to NZIFRS was 1 October 2004 and therefore only a three month comparative period (1 October 2004 to 31 December 2004) is retrospectively restated in the statutory financial statements in accordance with NZIFRS.

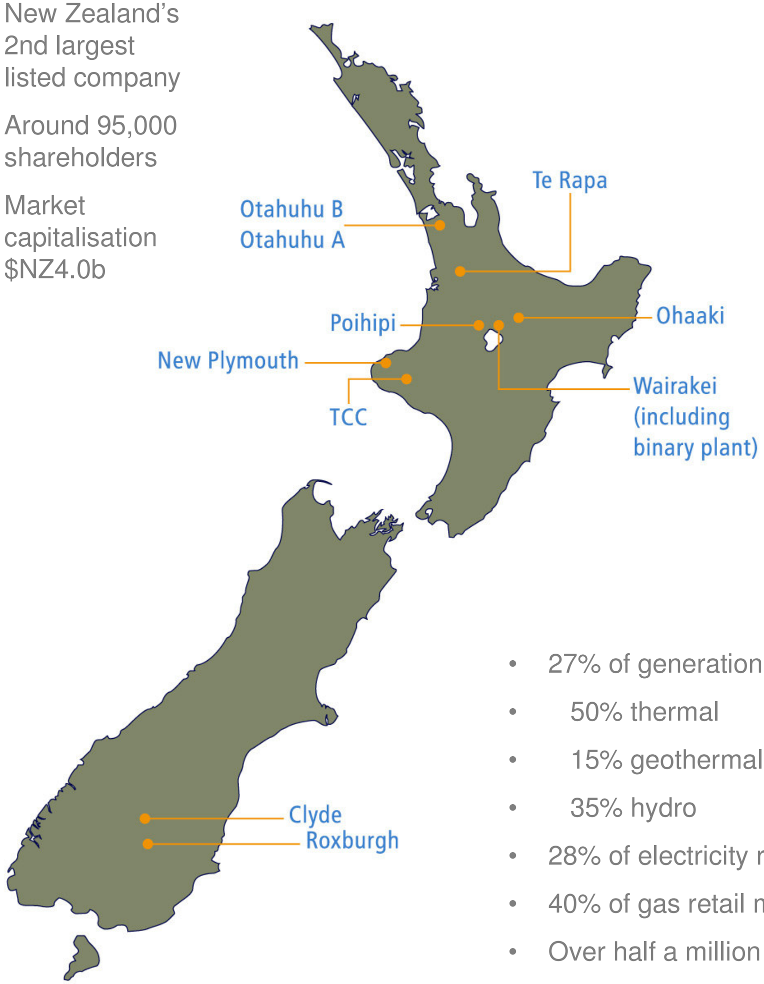
While NZIFRS comparators for the entire six month period ended 31 December 2004 are not available, information has been provided for the six month period ended to 31 December 2004 under previous NZ GAAP. Key differences between previous NZ GAAP and NZIFRS are highlighted where appropriate.

Company Overview

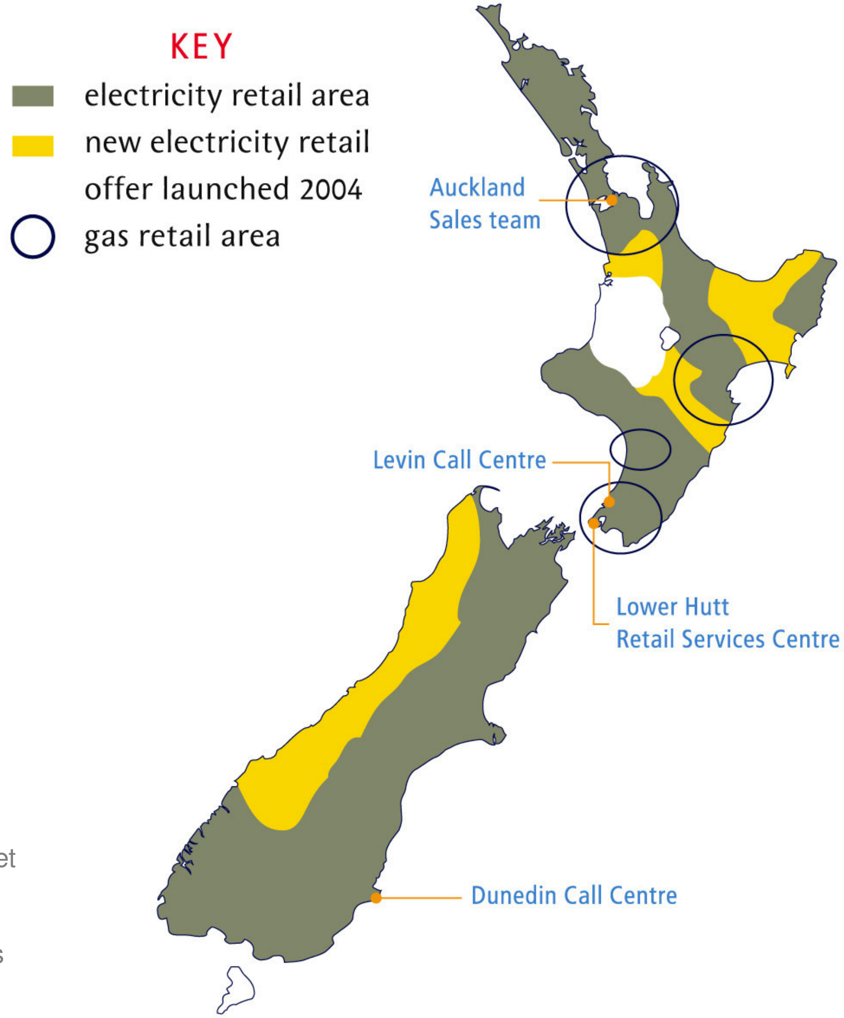
Contact has diverse generation and retail electricity bases, and electricity position is complemented by strong presence in downstream gas markets.

Company overview

- New Zealand's 2nd largest listed company
- Around 95,000 shareholders
- Market capitalisation $NZ4.0b



- 27% of generation capacity
- 50% thermal
- 15% geothermal
- 35% hydro
- 28% of electricity retail market
- 40% of gas retail market
- Over half a million customers



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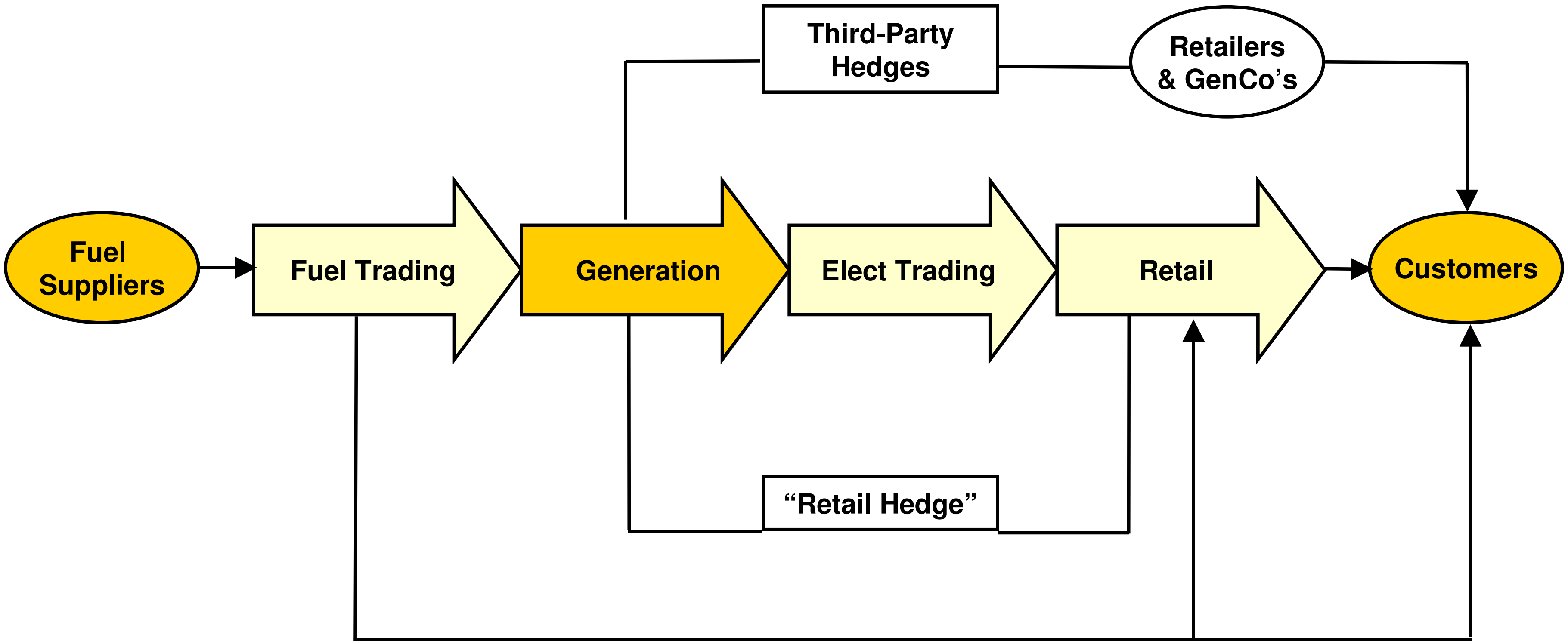
The Company's integrated energy business model provides substantial synergies and multiple opportunities for growth - to the benefit of shareholders and customers.

Integrated energy business



- Fuel aggregation
- Fuel switching
- Transport management

- Hedge for retail
- Fuel aggregation
- Fuel switching

- Hedge for generation
- Dual fuel sales
- Load management interface

2005/06 Interim Result

The interim result highlights the benefits of the integrated energy business model in managing energy market risks...

Highlights for the Year

- EBITDA of $284.7m - up 14% on the same 6 month period last year. Core earnings continue to show the benefits of an integrated energy business model and a diverse asset base:
  - Higher wholesale revenue due to increased volumes and higher prices
  - Tariff increases to reflect the long term trend in fuel costs
  - Offset by higher electricity purchase costs for retail
  - Generation portfolio managing risks of outages and hydro inflows
- Net surplus of $146.6m strengthened by:
  - Gain on disposal of subsidiaries (Valley Power - $33.4m)
  - IFRS impacts including increase in fair value of derivatives ($4.8m pre tax)
- Solid progress on strategic development opportunities:
  - Seismic survey completed on offshore Taranaki exploration permit
  - Site selection studies for LNG importation terminal well advanced
  - Solid progress on incremental generation investment (particularly geothermal)
  - Long term generation options continue to be investigated

Overview of Financials

International Financial Reporting Standards

- In the main, changes resulting from these new financial reporting standards relate to the rules by which certain assets and liabilities are recognised:
  - non amortisation of goodwill, replacing this with an impairment test
  - the change in calculation of deferred taxation
  - the recognition at fair value of financial derivatives.
- These are changes in accounting definitions and will not change Contact's business strategy nor the way in which the business is managed on a day-to-day to basis. Importantly, the cash flows generated by the Company are unchanged as is the economic value in the business.

…with the Profit growth supported by gain on disposals, and IFRS changes including a reduction in the effective tax rate from 40% to 31%, EBITDA shows a clearer view of underlying performance.

Financial Result Summary

	6 Months ended 31 Dec 05 $m	6 Months ended 31 Dec 04 $m	Variance 2005 vs. 2004 $m	Variance 2005 vs. 2004 %
Revenue	1,127.1	832.2	294.9	35%
Operating Expenses	(842.4)	(581.5)	(260.9)	45%
Operating Profit (EBITDA)	**284.7**	**250.7**	**34.0**	**14%**
Depreciation	(67.7)	(60.8)	(6.9)	11%
Amortisation	0.0	(6.1)	6.1	
Change in FV of Derivatives	4.8	0.0	4.8	
Associates	(0.5)	0.9	(1.4)	-156%
Gain on Disposal of Subsidiaries	33.4	0.0	33.4	
Profit Before Finance and Tax (EBIT)	**254.7**	**184.7**	**70.0**	**38%**
Interest	(42.2)	(44.6)	2.4	-5%
Tax Expense	(65.9)	(55.4)	(10.5)	19%
Profit for Period	**146.6**	**84.7**	**61.9**	**73%**
Effective Tax Rate	31%	40%		

Note: Financial data for six months ended 31 Dec 2004 presented under NZ GAAP

Sale proceeds of NZ$70.5 million were received from the disposal of subsidiaries (Valley Power). Transaction gave rise to a gain on disposal of $33.4 million to the Group

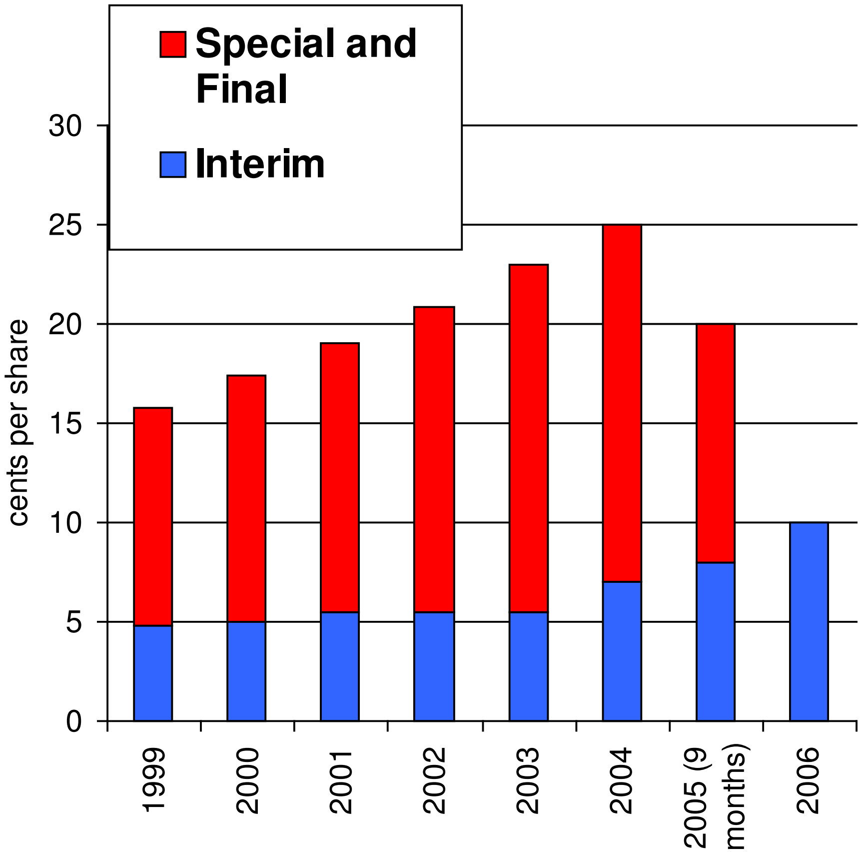
Disposal of Subsidiary (Valley Power)

	NZIFRS GROUP UNAUDITED 6 MONTHS ENDED 31 DEC 05 $m
Net Assets [1]	29.2
Fair value of derivative instrument net of deferred tax	8.2
Total Net Assets disposed of	**37.4**
Sales proceeds	**70.5**
Gain on disposal of net assets	33.1
Transfer foreign currency translation reserve on disposal of foreign subsidiary	0.3
Total Gain on Disposal of Subsidiaries	**33.4**

[1] Prior to recognition of financial instruments in accordance with NZ IAS 39

The Board has resolved to pay a fully imputed interim dividend of 10 cents per share for the six months ended 31 December 2005.

Dividends



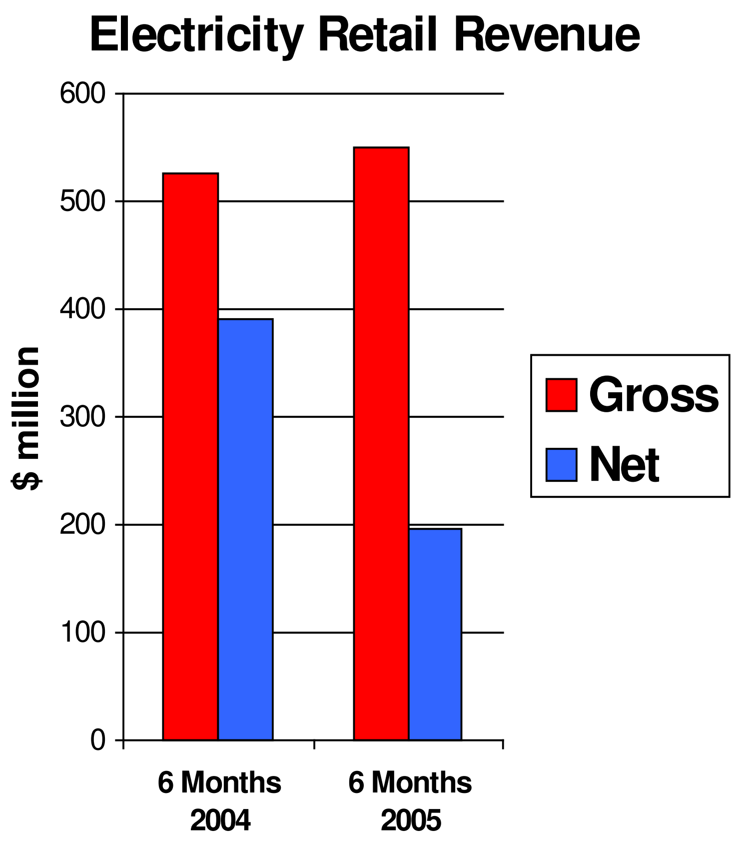
- A 10 cent per share dividend will be paid on 23 March 2006.
- Level of interim dividend reflects the change earnings profile as a result of the change in Balance Date from 31 September to 30 June.

Retail

While gross retail electricity revenue was 4.6% higher on last year at $550.9m, retail electricity purchase costs rose by 162% to $355.4m owing to higher wholesale electricity prices.

Electricity Retail Revenue

- Gross retail electricity revenue was $550.9 million for the 6 months ended 31 December 2005 reflecting the increases in retail tariffs over the last year.
- Retail electricity volumes were stable over the two periods.
- The average price of electricity purchases out of the wholesale market was $89.50 per MWh for the 6 month period ended 31 December 2005 compared with $35.08 per MWh for the same period during the previous year.
- Electricity retail price increases have averaged around 4-5% over the last 6 months.



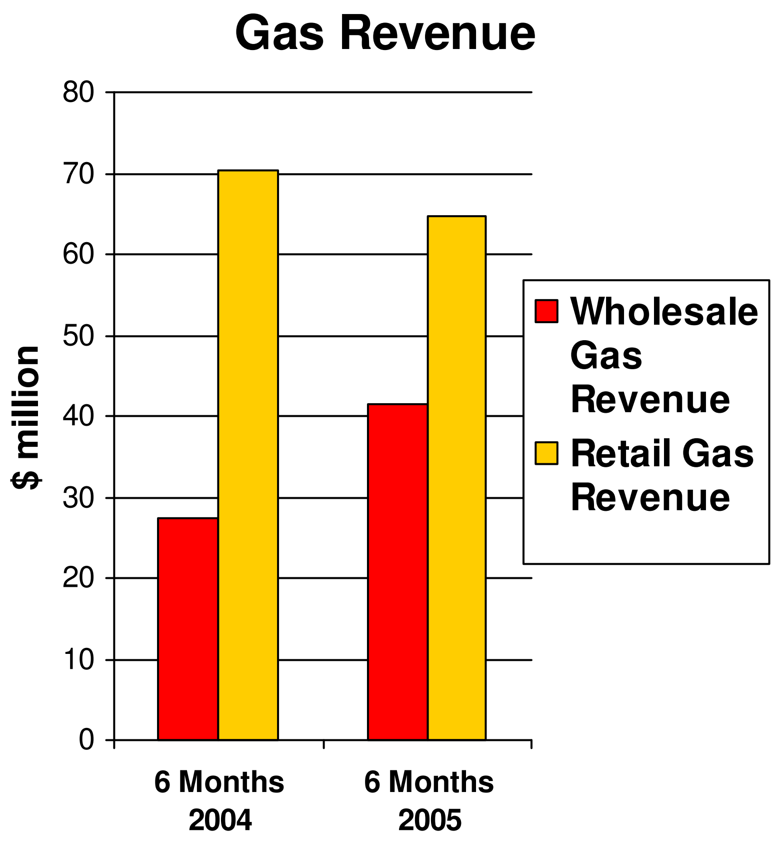
…Sales to wholesale gas customers made a solid contribution to the result, whilst gas sales to retail customers fell reflecting a loss of market share in this segment.

Gas Revenue

- Sales to wholesale gas customers increased to $41.5 million for the 6 months to 31 December 2005 driven by a 2.6 PJ increase in volumes.

- Gas sales to retail customers reduced to $64.7 million for the 6 months ended 31 December 2005 from $70.3 million for the 6 months ended 31 December 2004.

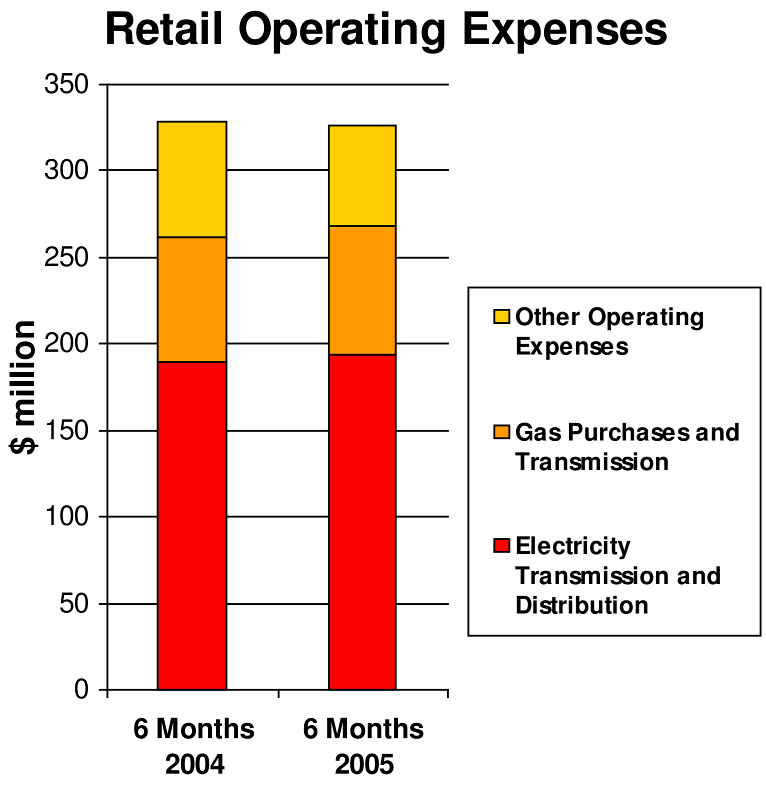
- Gas customer numbers fell a further 2,000 on the levels last quarter. For the end of the period this is 7,000 below customer numbers at the same time last year. This continues to reflect the increased opportunity cost of gas and high levels of competition.



Retail segment operating expenses fell marginally for the six months ended 31 December 2005. Increases in gas costs and electricity network costs were offset by a reduction in routine expenditure

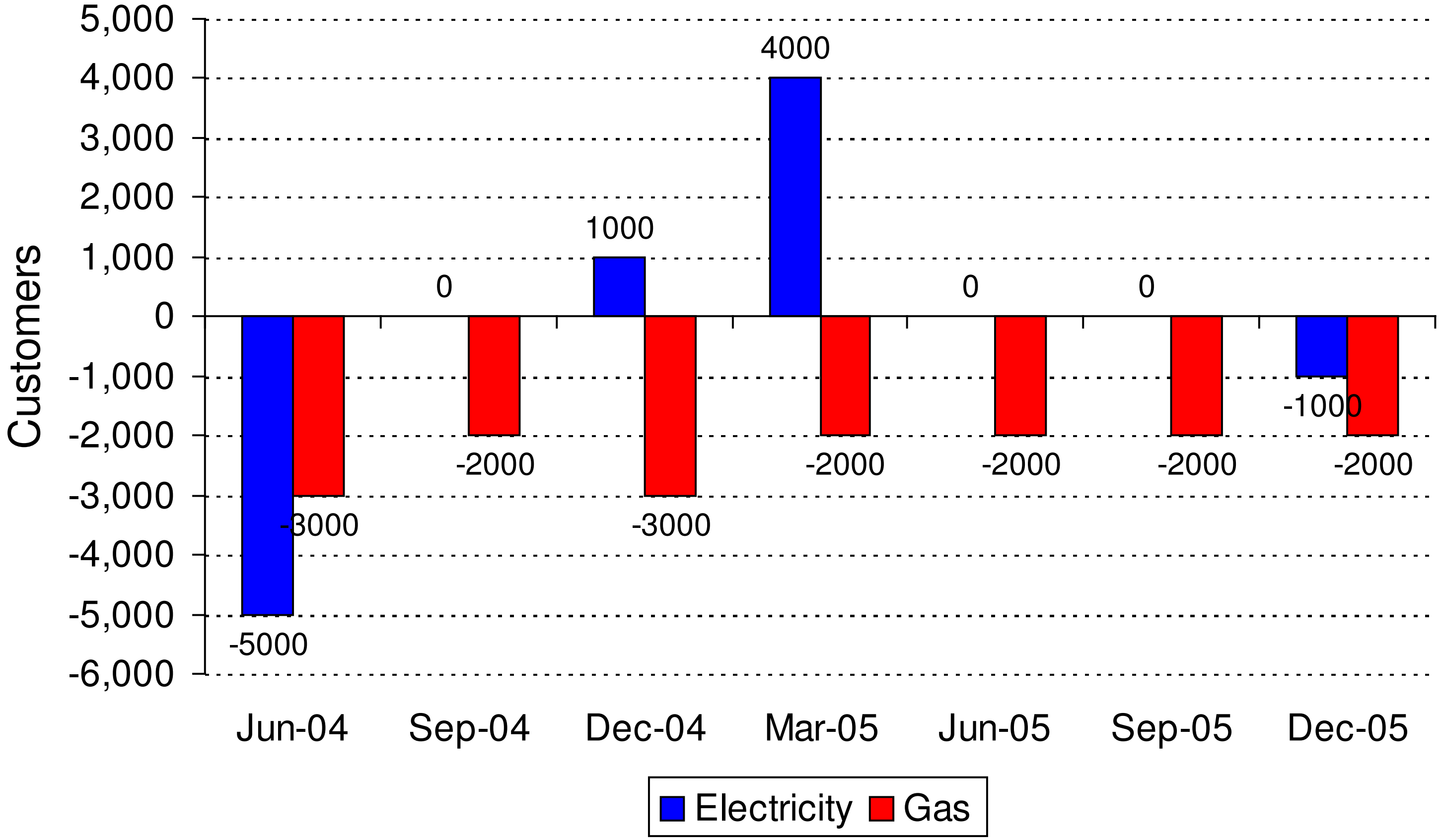
Retail Operating Expenses

- Gas purchases and transmission costs were $74.0 million for the 6 months to 31 December 2005, 3% higher than the same period in the 2004 financial year.
- Electricity transmission and distribution costs also increased marginally to $194.3 million compared to $190.0 million for the comparable 6 month period last financial year.
- Routine expenses for the 6 months ended 31 December 2005 were $58.4 million compared to $66.5 million for the previous corresponding period which included expenses associated with Australian retail operations that were divested in that period.



Contact has consolidated its retail position, though gas customer numbers have continued to decline reflecting the increased opportunity cost of gas and high levels of competition.

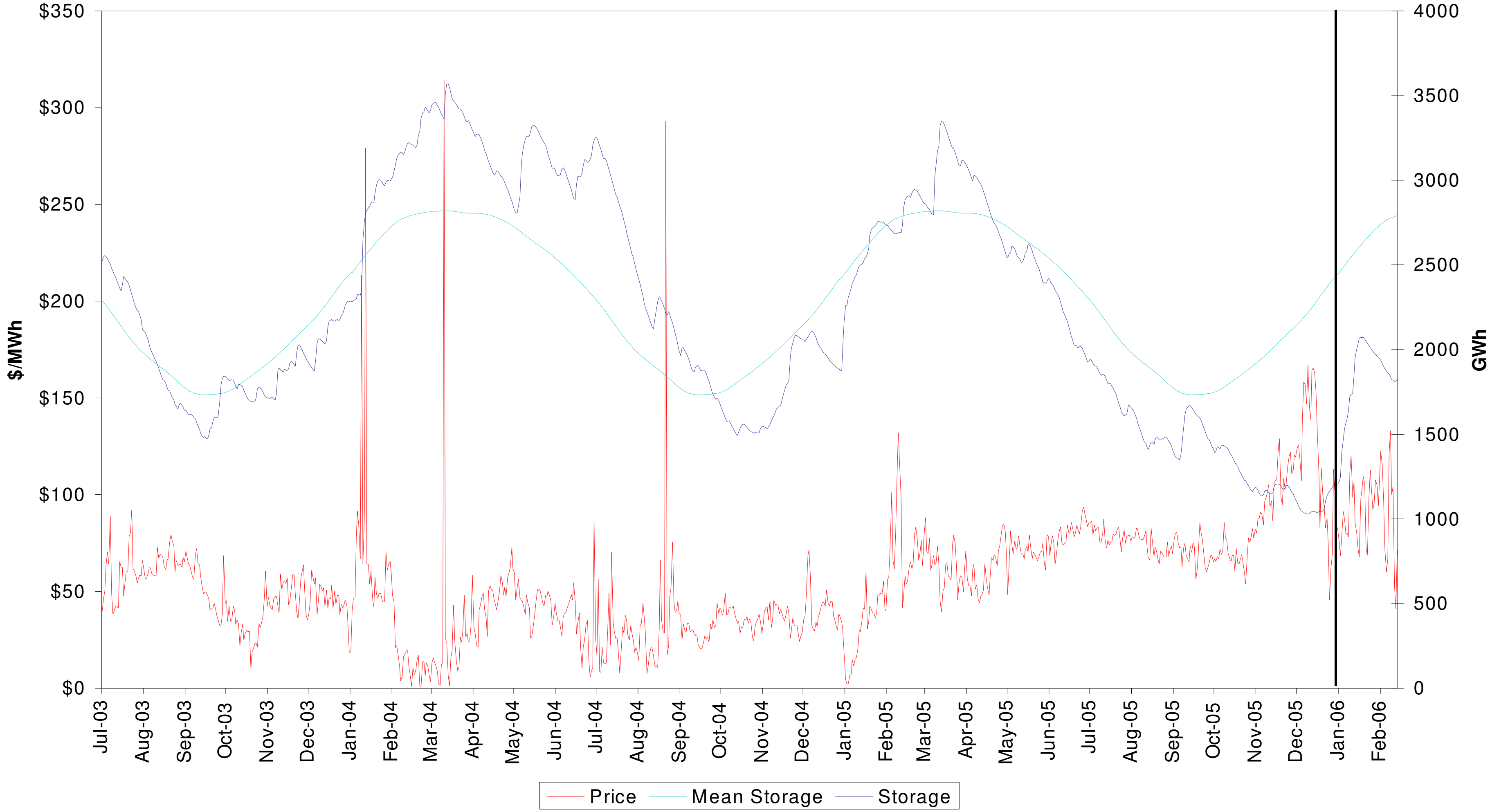
Change in Customer Numbers



Wholesale

Spot prices in the six months to 31 December 2005 averaged $85.41/MWh, compared with $34.59/MWh in the six months to 31 December 2004 primarily as a the result of lower hydro inflows and storage levels.

Wholesale Electricity Market



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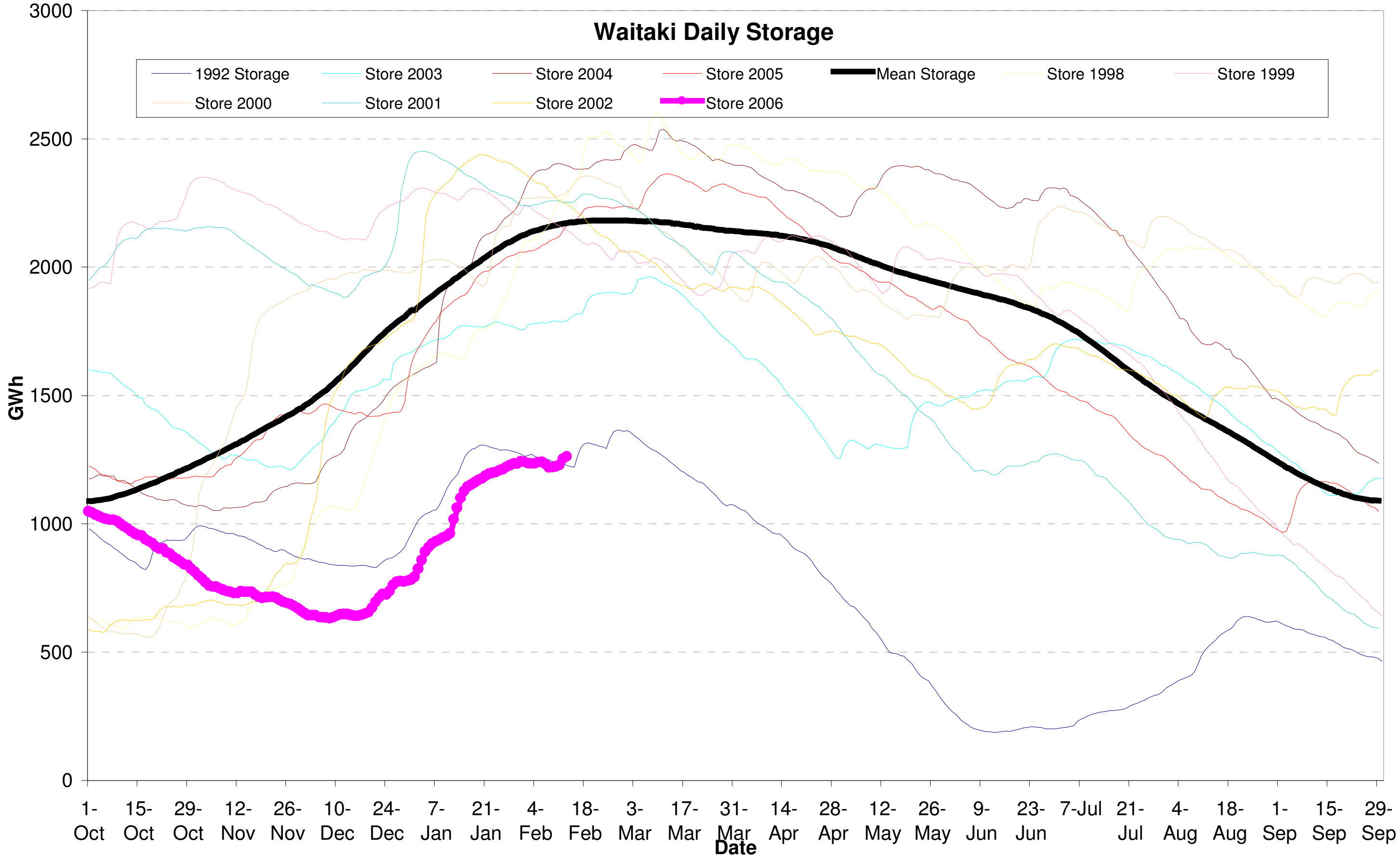
Since December national storage levels have increased to between 75% and 80% of mean, however storage at the critical Waitaki catchment remains at between 55% and 60% of mean which continues to exert upward pressure on electricity prices

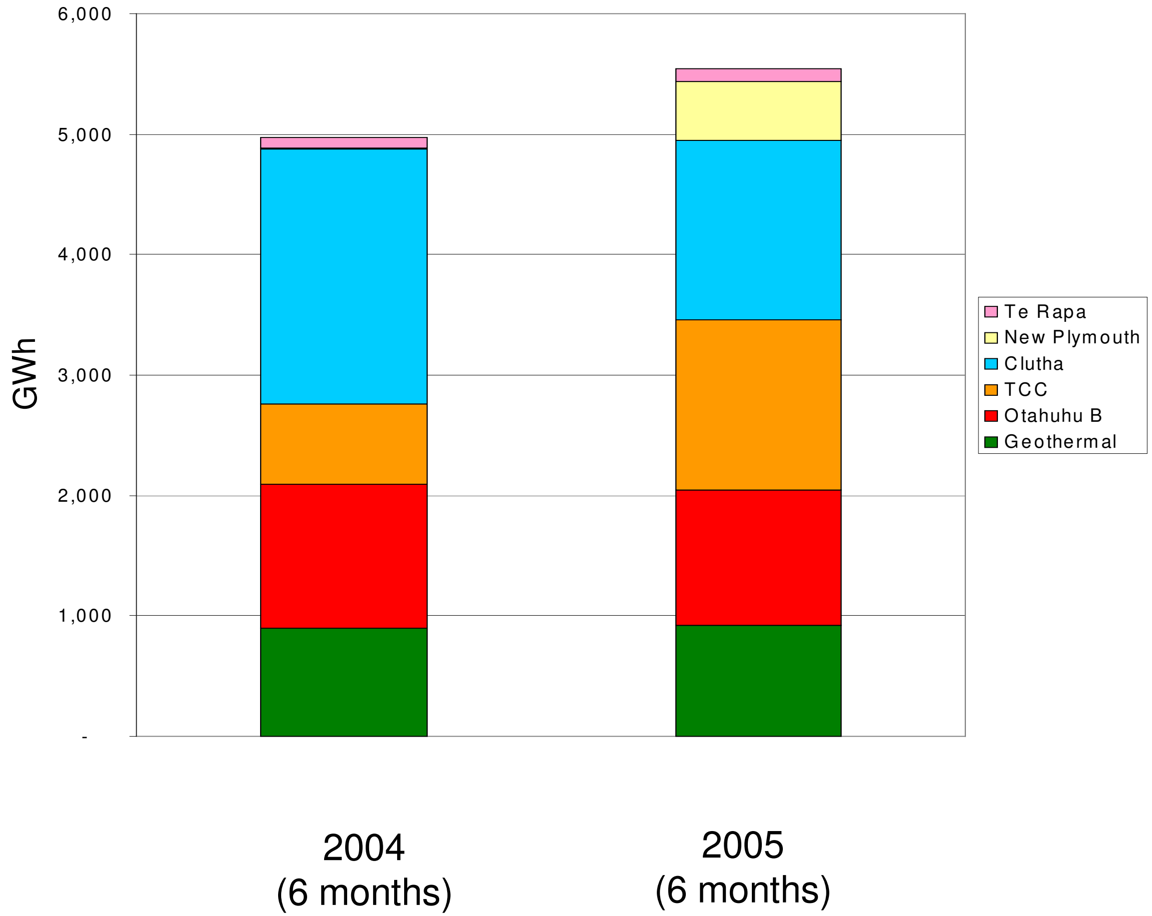
Current Storage Position



Contact's generation responded to higher wholesale prices, with significant increases in thermal generation more than offsetting the reduction in hydro generation...

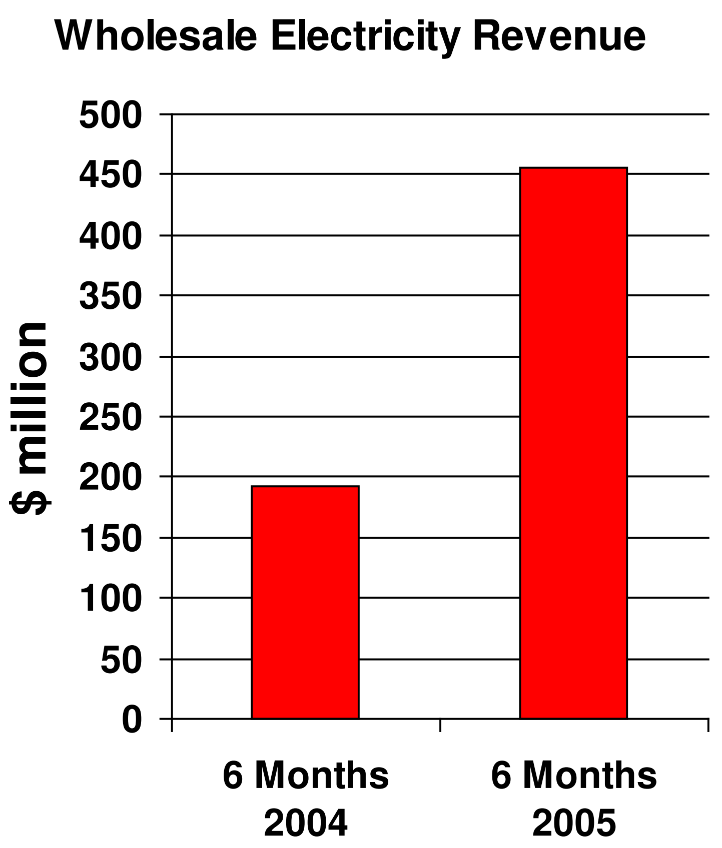
Contact Generation

- Total generation was 5,591 GWh for the six months ended 31 December 2005.
- An increase in thermal generation by 1,172 GWh more than offset the reduction in hydro inflows and generation through the period.
- New Plymouth and TCC in particular saw increases in generation. OTB maintained output across the two periods despite a major maintenance outage.
- The increase in total generation resulted in a hedge level for the period ended 31 December 2005 of 85% (retail and hedge contracts as a proportion of generation). The hedge level in the corresponding period in 2004 was 97%.



Wholesale Electricity Revenue

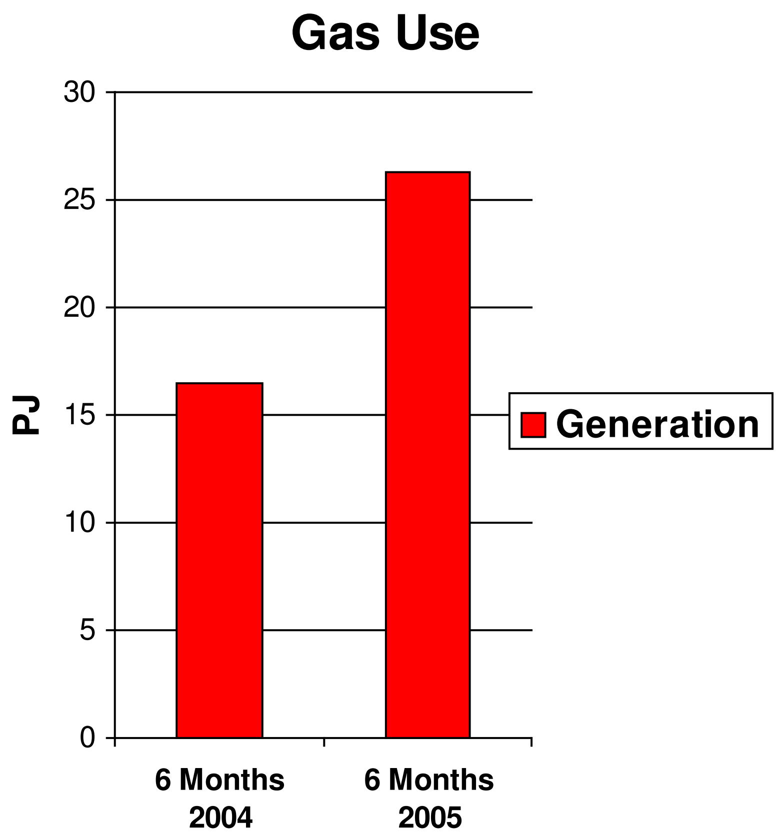
- Wholesale electricity revenue rose to $455.9 million for the six months to 31 December 2005.
- Average wholesale spot price received for generation increased to $81.70/MWh for the six months to 31 December 2005, compared with $32.95/MWh for the previous comparable six months.
- Generation volumes increased to 5,591 GWh for the six months ended 31 December 2005, compared with 5,027 GWh for the same period last financial year.



Contact's gas use for generation in the six months ended 31 December 2005 increased by 60% compared with the same period in 2004 due to a reduction in hydro inflows and increased thermal generation.

Gas Use in Generation

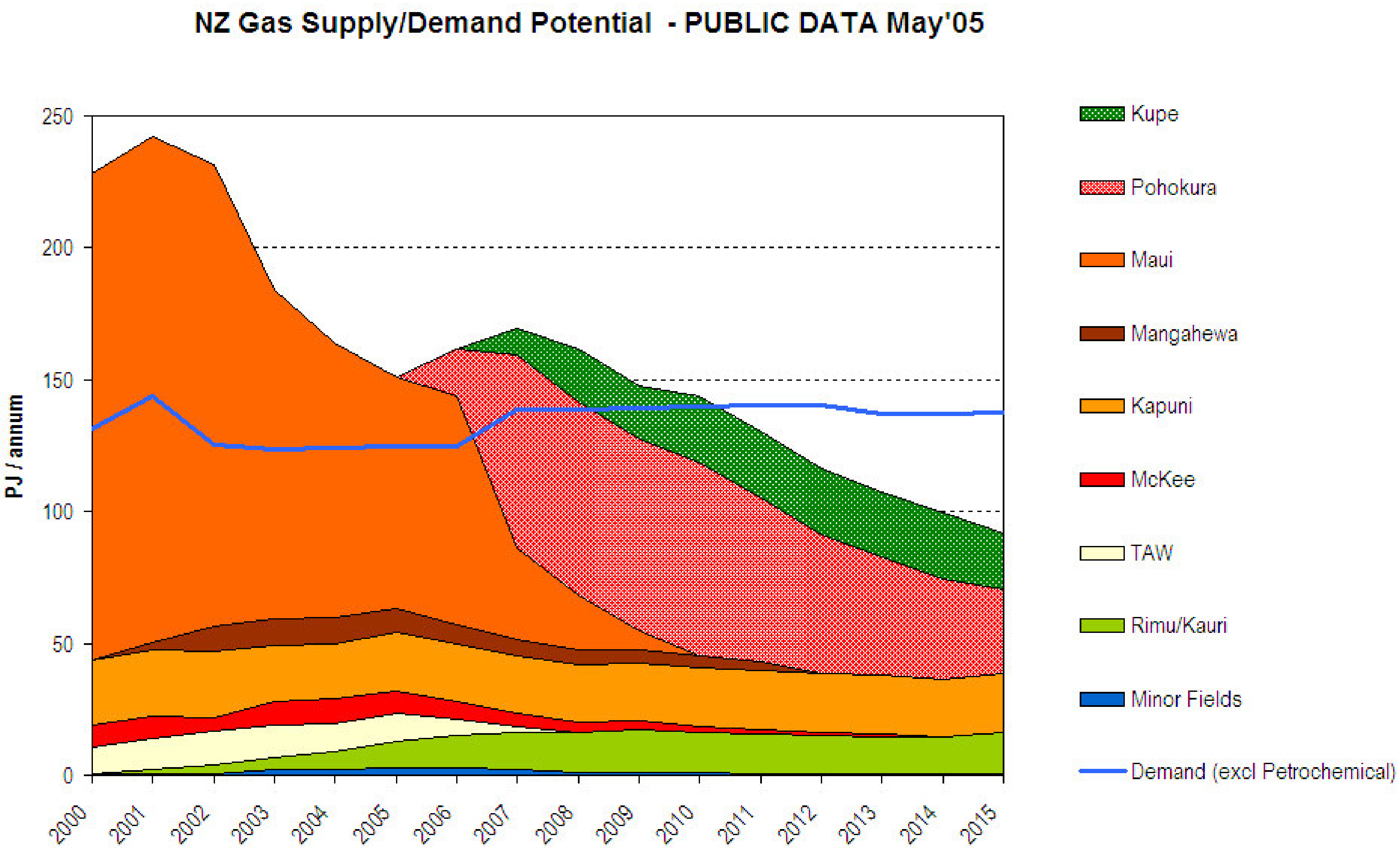
- Gas use in generation was 60% higher this period at 26.3 PJ.
- Higher generation gas usage in response to lower levels of hydro generation and higher wholesale prices.
- The increase in New Plymouth generation relative to that from the combined cycle plant at Otahuhu B and TCC also contributed to the increase.
- Total gas costs for generation increased to $98.2 million for the six months ended 31 December 2005 compared with $58.6 million in the same period in 2004, offsetting wholesale revenue.
- ROFR gas purchases to improve gas book length will increase average gas costs for the remainder of the financial year.



Fuel Developments

New Zealand's developed and committed gas supplies are running down. Despite an increase in exploration activity in the last 12 months, limited information has emerged on new long term supply. This means…

Gas - Supply and Demand Outlook



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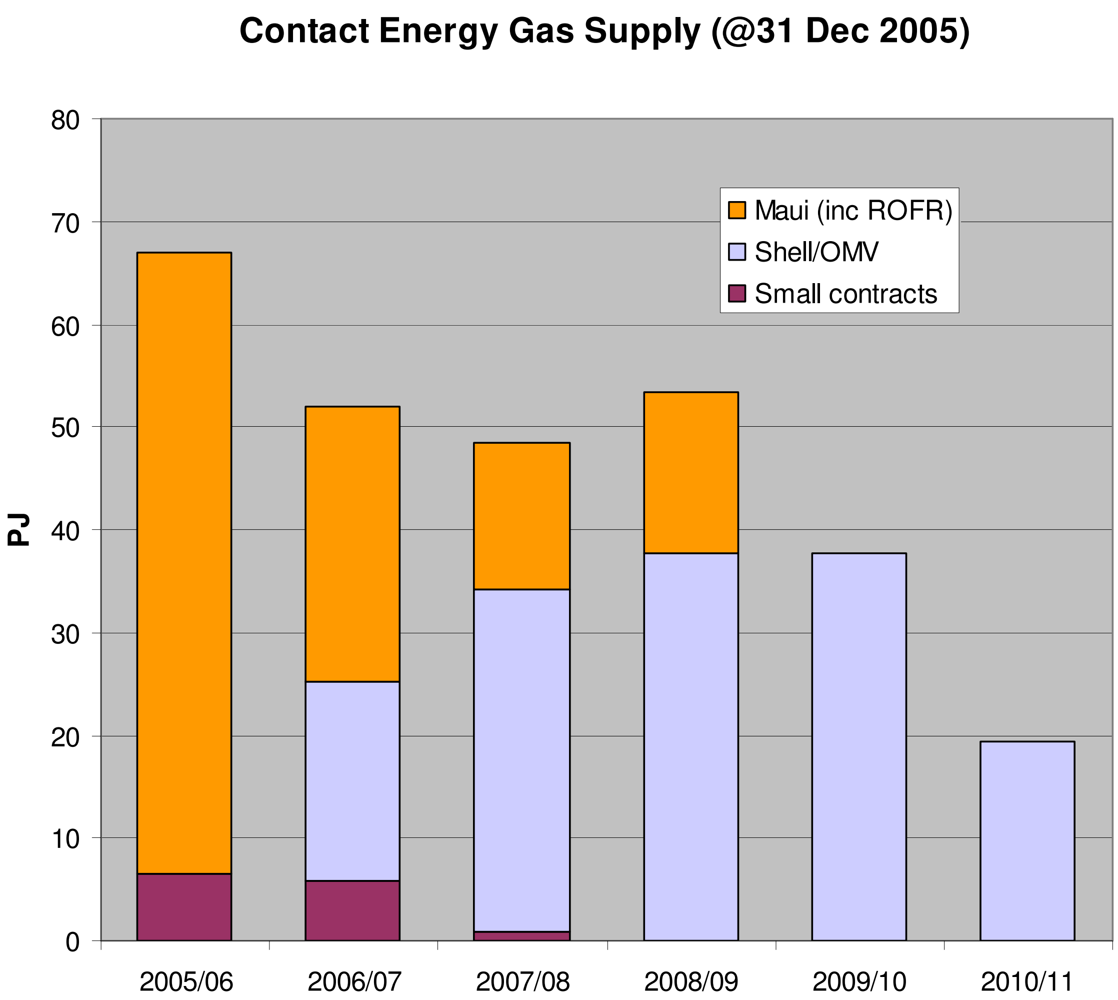
…the strategic imperatives remain strong for the Company to be engaged in indigenous upstream developments and gas importation options

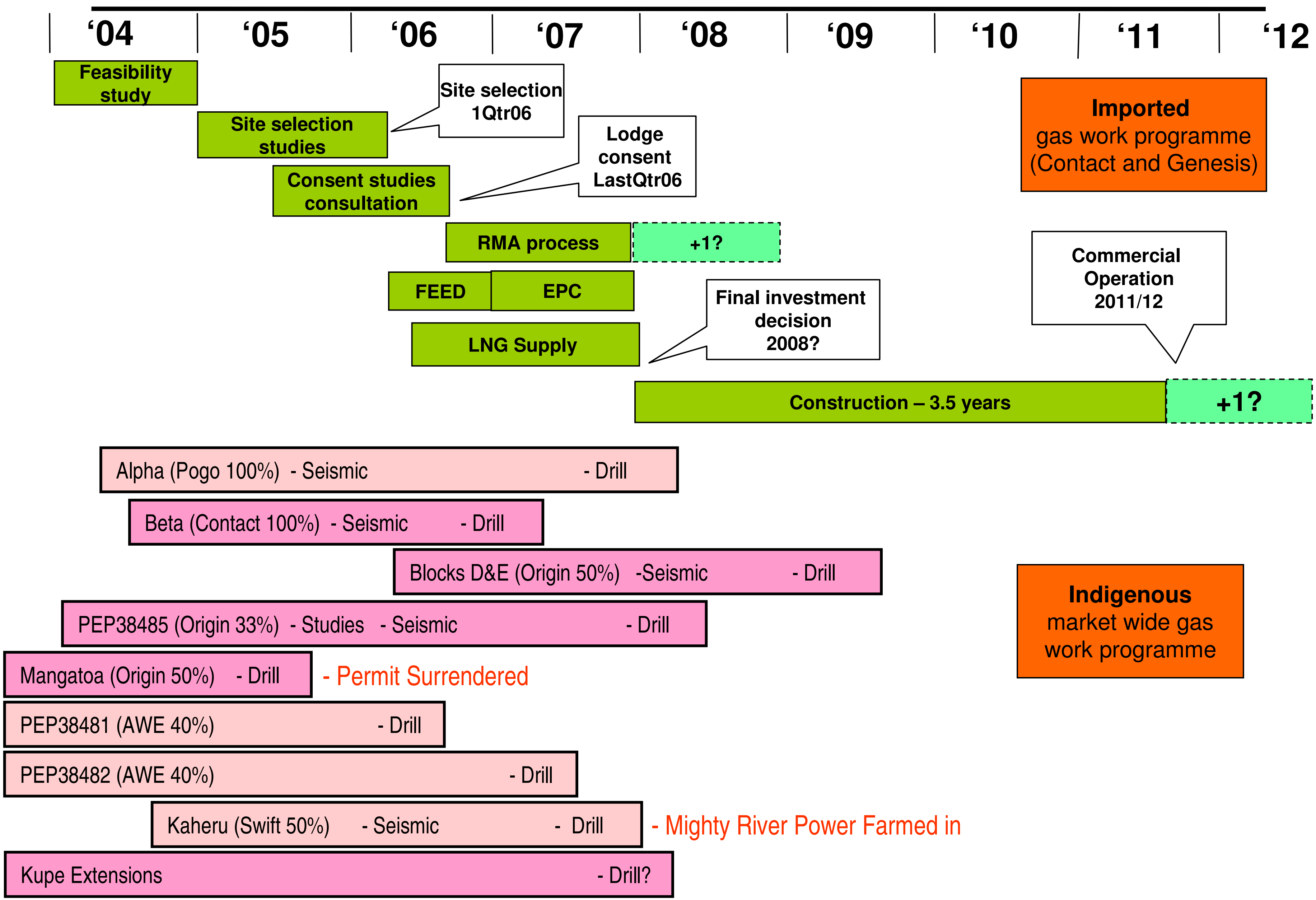
- **Strategic drivers**
  - Contact continues to see gas fired generation as an essential part of New Zealand's energy future - last six months highlights the value of gas fired generation in managing dry year conditions.
  - Improved understanding of indigenous and imported supply options is being obtained to better manage timing of gas contracting and generation investment decisions.
- **Indigenous gas**
  - Contact continues to examine upstream options although none to date have met hurdle requirements.
  - A seismic survey of Contact's PEP38943 licence was completed in January 2006. Data analysis will be completed by mid 2006 and drilling is expected late in 2007.
- **Imported gas**
  - Favourable sites for LNG have been identified and technical investigations are well advanced.
  - Expect progress on LNG site selection and gas procurement over next six months.
  - Feasibility of CNG continues to be explored as an alternative option.

The long term availability of additional gas from the Maui field remains a key uncertainty for the medium term. Contact has purchased some ROFR gas to meet increased demand for gas generation this year…..



- ROFR gas purchases at current market prices have enabled forward gas position to remain largely unchanged despite increased generation demand this year.
- This profile is based on current assumptions around external gas sales and internal generation requirements and is subject to change.
- The increased cost and lack of effective flexibility in new gas contracts remains a challenge.

….and is focussed on securing gas supply options for the medium to long term.



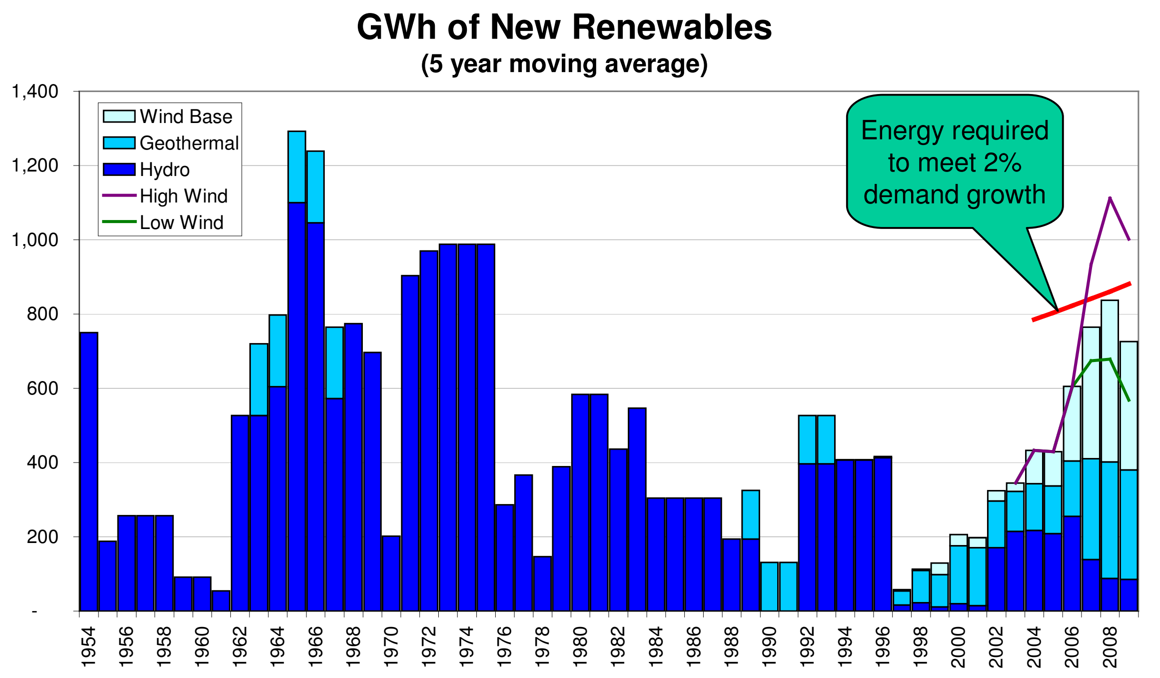
Generation Development

The long term maintenance outage for the Otahuhu B CCGT in Auckland was completed successfully with capacity enhancements above expectations

Photo: Otahuhu B

- Outage successfully completed 5 days earlier than scheduled.
- No Loss Time Injuries.
- Approximately 20 MW of additional capacity added compared to target of 12 MW.
- Improved flexibility - turndown to minimum load of approximately 210 MW achieved compared with 240 MW pre-outage.

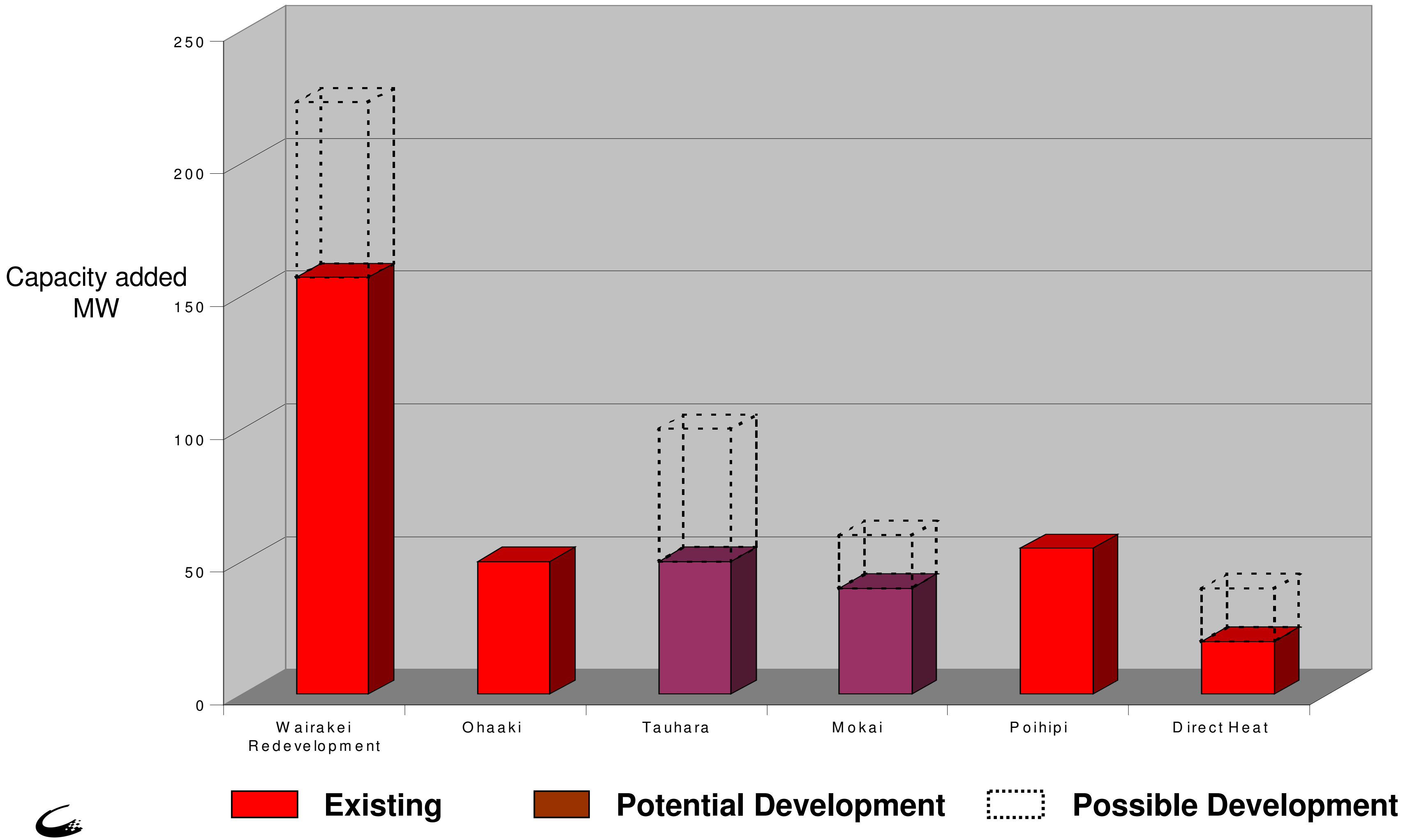
Generation market has altered in the last 2 years as price signals have driven investment in previously uneconomic generation alternatives...



- Thermal and geothermal generation will continue to play an important role in providing balance to the system for dry and/or non-windy periods, and provide cost effective energy to meet demand growth.
- Wind may offer attractive niche opportunities at the right locations.

Subject to confirmation of resource potential, and consents, investment in geothermal development presents significant value opportunity given higher electricity prices

Geothermal Growth Options



Regulation

Transmission Regulatory Issues

- Forthcoming EC decision on whether to approve the Auckland 400kV project or some alternative:
  - We have been concerned to-date over the extent of differences between the EC and Transpower regarding the timing of the need for investment.
- Commerce Commission control of Transpower's pricing:
  - Lines companies have already announced they will pass price increases through to customers from 1 April 2006.

Other Regulatory Issues

- Commerce Commission is reviewing competition in the generation and retail markets, and the Electricity Commission's plans to examine market design.
- Expect both reviews will show the New Zealand electricity market to be fundamentally sound, plus identify some opportunities for further improvements in market design to deal with:
  - regional price risk management; and
  - the challenges associated with large amounts of wind penetration
- Climate change policy and in particular the carbon tax is under review. Contact hopes that the review will deliver sound and durable measures to reflect the climate cost of energy sector activities:
  - Investors need reasonable certainty that policy will follow a consistent path with regards to reflecting the cost of carbon, otherwise the uncertainty may delay needed investment which threatens both price and security.

Ends