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POWERCO LIMITED

INFORMATION FOR DISCLOSURE

Amendment

PURSUANT TO THE ELECTRICITY (INFORMATION DISCLOSURE) REGULATIONS 1994

"This supplement is the Powerco Limited corrected Note 12 – Disclosure of Performance Measures Pursuant to Regulation 13 and Part II of the First Schedule of the Electricity (Information Disclosure) Regulations 1994.

Please insert this page in place of the original Note 12 in the Powerco Limited Information for Disclosure Pursuant to the Electricity (Information Disclosure) Regulations 1994, Issue No. 151, dated Monday, 21 September 1998, page 3659."

Notes to and Forming Part of the Financial Statements
For the Year Ended 31 March 1998

12 DISCLOSURE OF PERFORMANCE MEASURES PURSUANT TO REGULATION 13 AND PART II OF THE FIRST SCHEDULE OF THE ELECTRICITY (INFORMATION DISCLOSURE) REGULATIONS 1994

Financial Performance Measures	**1998**	**1997**	**1996**	**1995**
(i) Accounting Return on Total Assets	**10.83%**	11.58%	6.54%	5.49%
(ii) Accounting Return on Equity	**7.85%**	9.08%	4.86%	3.75%
(iii) Accounting Rate of Profit including revaluation	**21.50%**	8.08%	4.63%	3.71%
(iv) Accounting Rate of Profit excluding revaluation	**8.39%**	8.08%	4.63%	3.71%
Efficiency Performance Measures				
(iv) Direct Line Cost per Kilometre	**$873.26**	$1,038.34	$1,232.54	$996.80
(v) Indirect Line Cost per Electricity Customer	**$92.02**	$62.80	$91.04	$164.97

Indirect line costs for the 1998 year have been ascertained using the new draft allocation methodology and includes one off restructuring costs incurred in the acquisition of Egmont Electricity Limited.

13 CONTINGENT LIABILITIES AND COMMITMENTS

There are no capital commitments as at balance date.

The company has guaranteed the obligations of its associate company as they relate to energy purchases on its behalf. The company has also made arrangements with its bankers to provide guarantees up to $16.8 million to enable Energy Brokers New Zealand Limited to trade in the wholesale market.

14 SUBSEQUENT EVENTS

Subsequent to balance date the Government has passed legislation which regulates the ability of electricity supply companies to own various assets.

The legislation requires legal separation of the company's existing line distribution and energy trading assets. Further, it will restrict ownership of the various types of assets existing and requires the company to transfer part of its existing assets to another entity.

No adjustments to carrying values of assets recorded in these financial statements have been made as a result of any possible impact of the amended legislative environment.

DEPARTMENT OF INTERNAL AFFAIRS
TE TARI TAIWHENUA

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