



Q4 FY2017 Performance Update



Q4 FY17 PERFORMANCE UPDATE

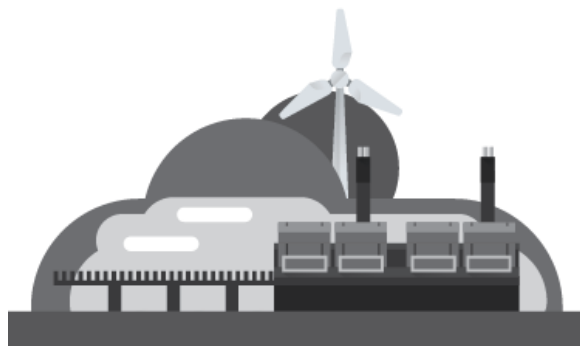
QUARTER HIGHLIGHTS

**Nova Energy retail
LPG acquisition**



**completed and
integration
progressing well**

Generation



**up 13% on Q4 FY16
with GWAP up 21%**

Kupe acquisition



**production on target
with record 100%
production in June**

Q4 FY17 Performance Summary



Eventful final quarter with a major acquisition completed amidst favourable spot market conditions

Customer

The acquisition of the Nova Energy retail LPG business placed Genesis as the second largest LPG retailer in New Zealand. This cements our unique position as the only retailer to offer an integrated customer experience across three fuels on one platform. Demand was up for the quarter as the business segment sales strategy continues to deliver with prices up in the mass market electricity segment but down in the TOU and gas segments. Genesis continues to increase its pace on innovating and driving new products and ways to reward loyalty with 30% of the customer and technology teams now working in an agile environment.

Wholesale

Genesis Energy's diverse and flexible generation portfolio benefitted from the dry South Island, wet North Island operating conditions with generation up 12.6% and renewable up 31.0% on Q4 FY16. The divergent hydrological conditions translated into higher wholesale prices up 21.4% with 98.6GWh of swaption calls made. Genesis is also providing further detail around its forward take-or-pay gas purchases this quarter as part of its commitment to increase transparency.

Kupe

The increased 15% interest in Kupe delivered on expectations this quarter with gas production of 1.0PJ bringing total production to 3.1PJ up 47.2% on Q4 FY16. Kupe ran at a record 100% of availability capacity of 77TJ per day for June to support the generation portfolio requirements. LPG production yields remain impacted by plant issues which are expected to be resolved in Q1 FY18.

“ The completion of the Nova Energy retail LPG acquisition and the additional 15% Kupe stake meeting production expectations shows the benefit of our ‘Invest’ strategy in delivering value-enhancing opportunities ”

- Chris Jewell, CFO

Customer Segment Performance



Nova Energy retail LPG acquisition completed as Genesis drives towards an integrated customer experience

Highs

\$244.85/MWh

Mass market volume
weighted average
electricity price **↑ 1.7%**

1,505 GWh

Retail electricity
sales **↑ 6.5%**

18,893

LPG customers
excluding Nova **↑ 18.9%**

>120,000

Customers linked to
Flybuys

NPS

Continues to improve,
consistently positive
for the quarter



Nova Energy retail LPG
business acquisition
successfully completed

Lows

505,120

Electricity ICP's
excluding vacants **↓ 3.5%**

\$26.15/GJ

Volume weighted
average gas selling
price **↓ 2.6%**



LPG bottles on display at Fieldays
where Genesis promoted its new agri
product as part of its strategic focus to
grow the business segment

Wholesale Segment Performance



A geographically diverse and flexible portfolio delivering value in all market conditions

Highs

\$78.88/MWh

Average price
received for
generation

↑
21.4%

835 GWh

Total renewable
generation

↑
31.0%

98.6 GWh

Swaptions called in
June by South Island
generators

93.2%

Average monthly
Equipment Availability
Factor (EAF)

↑
0.5%

277 tCO₂/GWh

Generation Carbon
Intensity

↓
17.7%

Lows

224 GWh

Tekapo Hydro
Generation

↓
11.2%



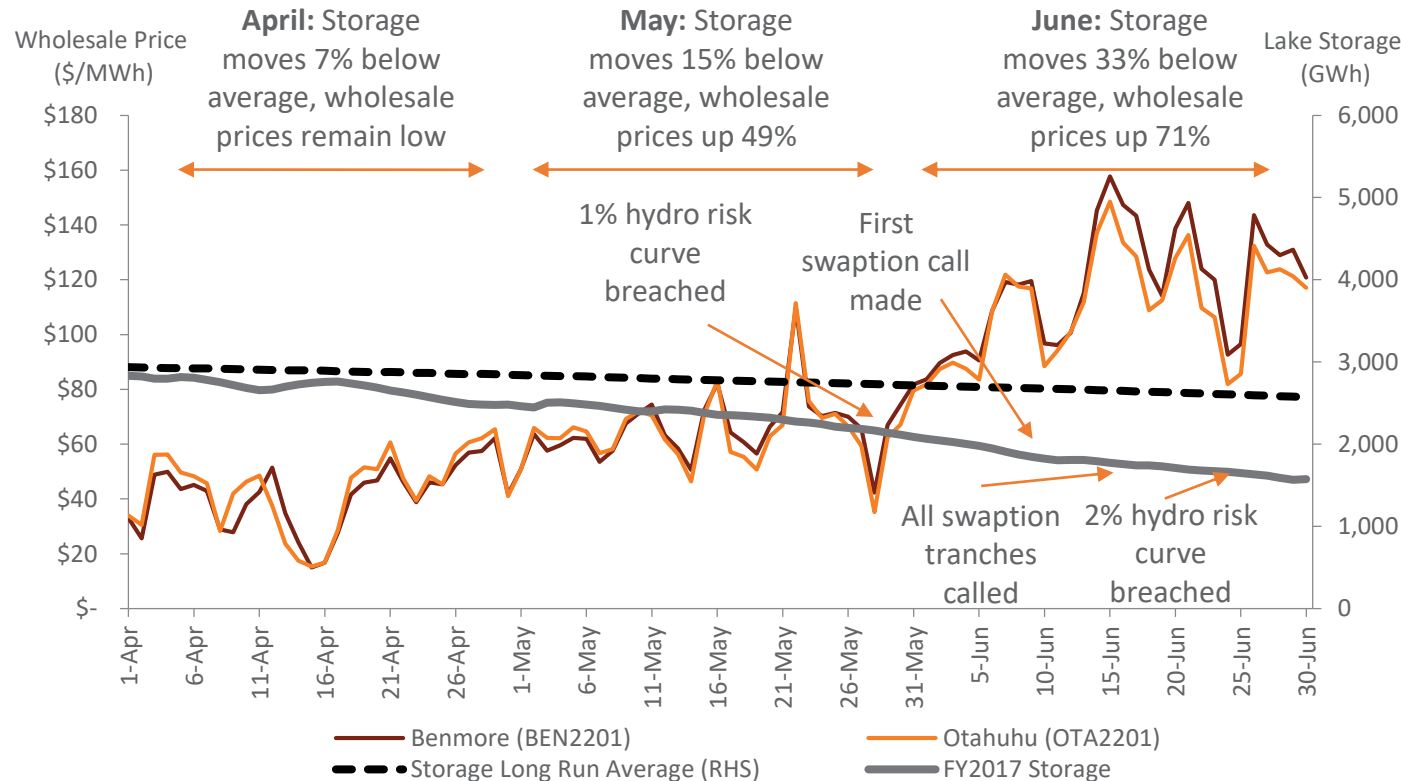
The Huntly Emergency Response Team received a gold and silver medal for the 2017 Sky Tower firefighter stair climb and raised \$48,000 for Leukaemia and Blood Cancer NZ

Wholesale Segment Performance



Hydrological conditions in last quarter highlights thermal as an enabler of NZ's high level of renewable

DAILY AVERAGE WHOLESALE PRICES & NATIONAL HYDRO – Q4 FY17



Source: COMIT, Genesis Energy

TAKE-OR-PAY FORWARD GAS PURCHASES¹ – NEW DISCLOSURE



1. Represents gas contracts under which Genesis is required to take the product or pay a penalty. Excludes Kupe and includes PPI adjustments

Kupe Segment Performance



Increased Kupe production supporting downstream portfolio flexibility

Highs

1.0 PJ

15% acquisition
achieved target 6
month production

247.6 kbbbl

Kupe Oil Sales
due to extra
shipments

↑
95.9%

11.6 kt

LPG
Production

↑
97.5%

2,310 TJ

June gas production
hits record 100% of
maximum capacity

3.1 PJ

Gas
Production

↑
47.2%

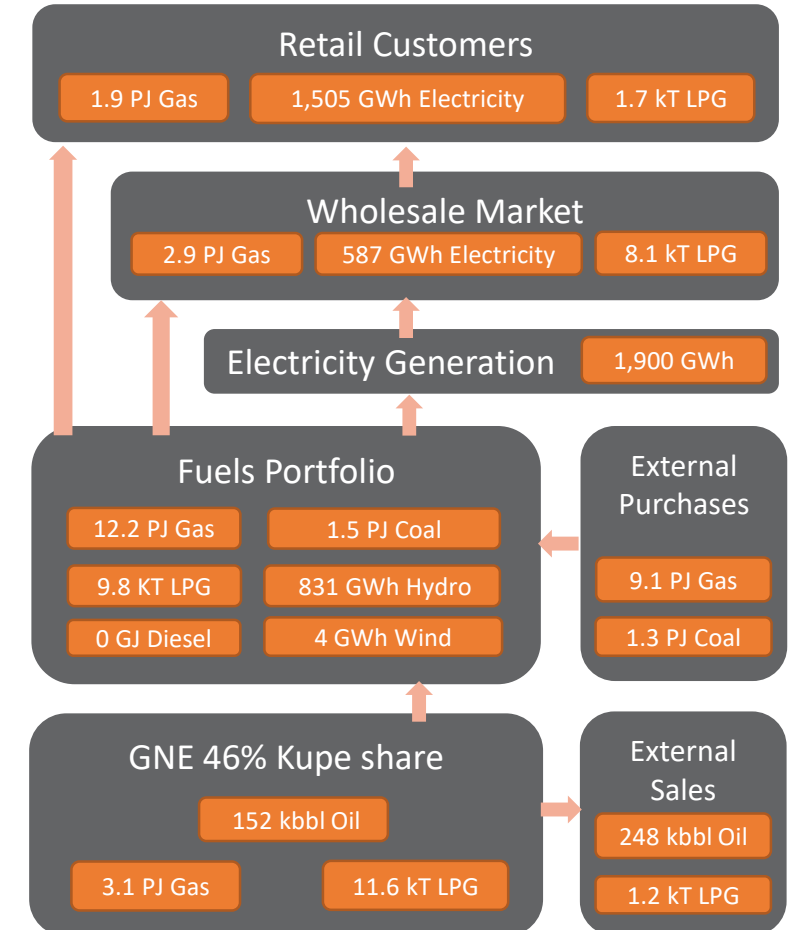
Lows

\$49.69 USD/bbl

Average Spot Brent
Crude Oil price remains
low

LPG Production

Issue with propane
compressor limiting total
production capacity



All comparisons are against Q4 FY16

Other Corporate Highlights



Agile culture embracing and leading change

Highs

754

FTE excluding
Nova as optimise
initiatives
continue



12.3%

150+

employees working
in agile environment
in the business
across 15 squads

>200

Customers in Local
Energy Project

Staylive

Winner of the 2017 EEA
Aware for Workplace
Safety

Lows

0.53

Total recordable
injury frequency rate



3.9%



Local Energy
Project team
member
handing over
the keys of a
Nissan Leaf to
the
Featherstone
Community
Centre to use
for a year



Distributed
energy Local
Energy
Project
squad

Glossary



CUSTOMER

Net Promoter Score	Based on survey question "How likely would you be to recommend Genesis Energy/Energy Online to your friends or family?"
Electricity Market Share	Market share based on Electricity Authority data for the end of quarter
Gas Market Share	Market share based on Gas Industry Company data for the end of quarter
Customer Connection	Electricity and gas customers are defined by number of connections (ICP).
Volume Weighted Average Electricity Selling Price - \$/MWh	Average selling price for customers including lines/transmission and distribution and after prompt payment discount
Volume Weighted Average Gas Selling Price - \$/MWh	Average selling price for customers including lines/transmission and distribution and after prompt payment discount
Average Retail Electricity Purchase Price - LWAP (\$/MWh)	Excludes settlements from electricity derivatives.
LPG Customer Connections	Defined as number of customers
LPG 45kg Market Share (%)	Genesis Energy estimation based on company data, LPGA and MBIE data
Bottled LPG Sales (tonnes)	represents 45kg LPG bottle sales
Wholesale LPG Sales (tonnes)	represents sales LPG retailers
Other LPG Sales (tonnes)	represents bulk, 3rd party distributors and export sales plus transfers to the Huntly Power Station
Electricity Sales - Wholesale (GWh)	includes contracts for difference and options
Electricity Purchases - Wholesale (GWh)	includes contracts for difference and options
Retail Netback (\$/MWh)	Customer Segment EBITDAF plus electricity and gas purchase cost divided by total electricity and gas sales volumes

GENERATION

Coal (GWh)	Coal generation is calculated by applying coal burn to monthly average heat rates
Average Price Received for Generation - GWAP (\$/MWh)	Excludes settlements from electricity derivatives.
Coal Used In Internal Generation (PJ)	Results have been revised to reflect changes in coal kilotonnes to PJ conversion rate and volume methodology
Rankines Fueled by Coal (%)	
Equipment Availability Factor (EAF)	the percentage of time a power station is available to generate electricity
Foreced Outage Factor (FOF)	the percentage of time a power station is unavailable to generate electricity due to unplanned failure or defect.

WHOLESALE

Weighted Average Fuel Cost (\$/MWh)	Total cost of fuel burnt plus emissions on fuel burnt divided by total generation (thermal, hydro and wind)
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CORPORATE

Total Recordable Injury Frequency Rate	Rolling 12 month TRIFR per 200,000 hours worked
Headcount	Based on full time equivalents, excluding contractors

KUPE

Oil Hedge Levels (%)	% hedged for remainder of FY as % of forecast sales
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Metrics



CORE	Q4 FY17	Q4 FY16	% Change	Var.	YTD FY17	YTD FY16	% Change	Var.
CUSTOMER								
Volume Weighted Average Electricity Selling Price - MM (\$/MWh)	\$244.85	\$240.65	1.7%	\$4.20	\$242.30	\$238.27	1.7%	\$4.03
Volume Weighted Average Electricity Selling Price - TOU (\$/MWh)	\$129.89	\$132.96	(2.3%)	(\$3.08)	\$120.04	\$116.41	3.1%	\$3.63
Mass Market Electricity Sales (GWh)	1,123	1,116	0.6%	7	4,323	4,426	(2.3%)	(102)
TOU Electricity Sales (GWh)	383	298	28.3%	84	1,330	1,244	6.9%	86
Electricity Sales - Retail (GWh)	1,505	1,414	6.5%	91	5,653	5,669	(0.3%)	(16)
Electricity Sales - Wholesale (GWh)	587	362	62.1%	225	1,998	1,230	62.4%	768
Electricity Purchases - Retail (GWh)	1,587	1,484	7.0%	103	5,964	5,965	0.0%	(1)
Electricity Purchases - Wholesale (GWh)	284	362	(21.6%)	(78)	1,313	1,224	7.2%	88
Average Retail Electricity Purchase Price - LWAP (\$/MWh)	\$81.28	\$64.01	27.0%	\$17.27	\$60.53	\$64.02	(5.4%)	(\$3.49)
LWAP/GWAP Ratio (%)	103%	98%	4.6%	5%	100%	100%	(0.1%)	0%
Volume Weighted Average Gas Selling Price (\$/GJ)	\$26.15	\$26.85	(2.6%)	(\$0.71)	\$27.14	\$26.99	0.5%	\$0.15
Mass Market Gas Sales (PJ)	1.1	1.0	10.8%	0.1	4.2	4.1	3.2%	0.1
TOU Gas Sales (PJ)	0.8	0.9	(8.4%)	(0.1)	3.1	3.2	(1.9%)	(0.1)
Retail Gas Sales (PJ)	1.9	1.9	1.9%	0.0	7.4	7.3	1.0%	0.1
Retail Gas Purchases (PJ)	1.9	1.9	1.9%	0.0	7.5	7.4	1.3%	0.1

Metrics



CORE	Q4 FY17	Q4 FY16	% Change	Var.	YTD FY17	YTD FY16	% Change	Var.
GENERATION								
Gas (GWh)	927	871	6.4%	56	3,082	3,240	(4.9%)	(158)
Coal (GWh)	138	179	(22.8%)	(41)	186	803	(76.9%)	(617)
Total Thermal (GWh)	1,065	1,050	1.5%	15	3,268	4,043	(19.2%)	(775)
Hydro (GWh)	831	632	31.4%	199	3,133	2,654	18.0%	479
Wind (GWh)	4	5	(20.1%)	(1)	21	24	(13.1%)	(3)
Total Renewable (GWh)	835	637	31.0%	198	3,154	2,678	17.8%	476
Total Generation (GWh)	1,900	1,687	12.6%	213	6,422	6,721	(4.5%)	(299)
Average Price Received for Generation - GWAP (\$/MWh)	\$78.88	\$65.00	21.4%	\$13.88	\$60.63	\$64.07	(5.4%)	(\$3.44)
Generation Emissions (ktCO ₂)	526	568	(7.3%)	(42)	1,474	2,194	(32.8%)	(719)
Generation Carbon Intensity (tCO ₂ /GWh)	277	337	(17.7%)	(60)	230	326	(29.7%)	(97)
Forced Outage Factor (FOF)	0.9%	0.3%	200.0%	0.6%	0.9%	2.0%	(55.0%)	(1.1%)
Equipment Availability Factor (EAF)	93.2%	92.7%	0.5%	0.5%	92.5%	89.0%	3.9%	3.5%
WHOLESALE								
Gas Purchases (PJ)	12.2	12.6	(2.4%)	(0.3)	45.5	47.6	(4.4%)	(2.1)
Coal Purchases (PJ)	1.4	0.0	0.0%	1.4	1.4	3.0	(51.5%)	(1.5)
Wholesale Gas Sales (PJ)	2.9	3.7	(21.9%)	(0.8)	14.2	15.1	(6.2%)	(0.9)
Wholesale Coal Sales (PJ)	0.1	0.3	(50.4%)	(0.1)	0.7	1.0	(24.9%)	(0.2)
Gas Used In Internal Generation (PJ)	7.4	7.0	5.4%	0.4	23.9	25.3	(5.2%)	(1.3)
Coal Used In Internal Generation (PJ)	1.5	2.2	(28.7%)	(0.6)	2.3	9.3	(75.6%)	(7.0)
Weighted Average Fuel Cost (\$/MWh)	\$36.43	\$38.08	(4.3%)	(\$1.66)	\$32.54	\$37.15	(12.4%)	(\$4.61)

Metrics



OPTIMISE		Q4 FY17	Q4 FY16	% Change	Var.	YTD FY17	YTD FY16	% Change	Var.
CUSTOMER									
	Net Promoter Score - Genesis Energy (%)	1%	-4%	125.0%	5.0%				
	Electricity Market Share (%)	24.5%	25.6%	(4.4%)	(1.1%)				
	Gas Market Share (%)	37.6%	39.3%	(4.3%)	(1.7%)				
	Electricity ICP's Excluding Vacants (#)	505,120	523,174	(3.5%)	(18,054)				
	Electricity Vacant ICP's	20,377	20,161	1.1%	216.0				
	Gas ICP's Excluding Vacants (#)	104,533	107,121	(2.4%)	(2,588)				
	Gas Vacant ICP's	7,866	3,102	153.6%	4764.0				
	Retail Netback (\$/MWh)	\$86.93	\$87.03	(0.1%)	(\$0.10)	\$83.88	\$84.14	(0.3%)	(\$0.26)
GENERATION									
	Rankine Output (GWh)	271	322	(15.7%)	(51)	453	1196	(62.1%)	(743)
	Rankines Fueled by Coal (%)	51%	56%	(8.4%)	(5%)	41%	67%	(38.9%)	(26%)
CORPORATE									
	Headcount (FTE)	754	860	(12.3%)	(106)				
	Total Recordable Injury Frequency Rate	0.53	0.51	3.9%	0.02				

Metrics



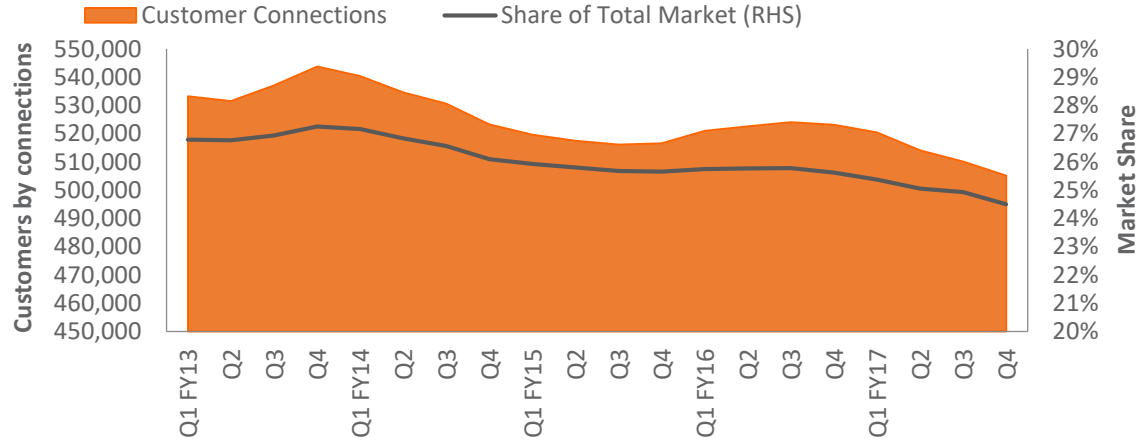
INNOVATE		Q4 FY17	Q4 FY16	% Change	Var.	YTD FY17	YTD FY16	% Change	Var.
CUSTOMER									
	LPG Customer Connections (#)	18,893	15,890	18.9%	3,003				
	Bottled LPG Sales (tonnes)	1,515	1,118	35.5%	397	5,020	3,990	25.8%	1,030
	Other LPG sales (tonnes)	1,554	1,818	(14.5%)	(264)	4,675	8,460	-44.7%	(3,785)
	Wholesale LPG Sales (tonnes)	3,975	3,868	2.8%	107	17,988	15,609	15.2%	2,380
INVEST		Q4 FY17	Q4 FY16	% Change	Var.	YTD FY17	YTD FY16	% Change	Var.
KUPE*									
	Gas Production (PJ)	3.1	2.1	47.2%	1.0	9.3	7.4	25.7%	1.9
	Oil Production (kbbl)	152.3	109.6	38.9%	42.7	475.9	427.3	11.4%	48.5
	Oil Sales (kbbl)	247.6	126.4	95.9%	121.2	506.8	416.9	21.6%	89.9
	Average Brent Crude Oil (USD/bbl)	\$49.69	\$45.57	9.0%	\$4.12	\$49.70	\$42.62	16.6%	\$7.08
	LPG Sales (kt)	10.9	6.3	72.3%	4.6	32.1	28.1	14.5%	4.1
	LPG Production (kt)	11.6	5.9	97.5%	5.8	32.8	28.1	16.7%	4.7
CUSTOMER									
	Nova Customer Connections (#)	36,279	-			36,279	-		
	Nova LPG Sales (tonnes)	2,814	-			2,814	-		

*from 1 January 2017, metrics include 46% ownership

Appendix: Customer Segment

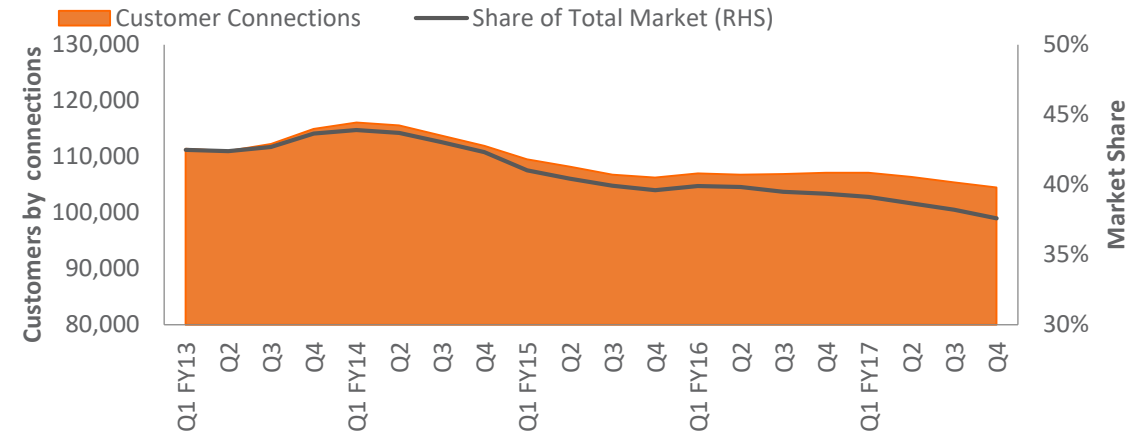


ELECTRICITY CUSTOMER CONNECTIONS & MARKET SHARE



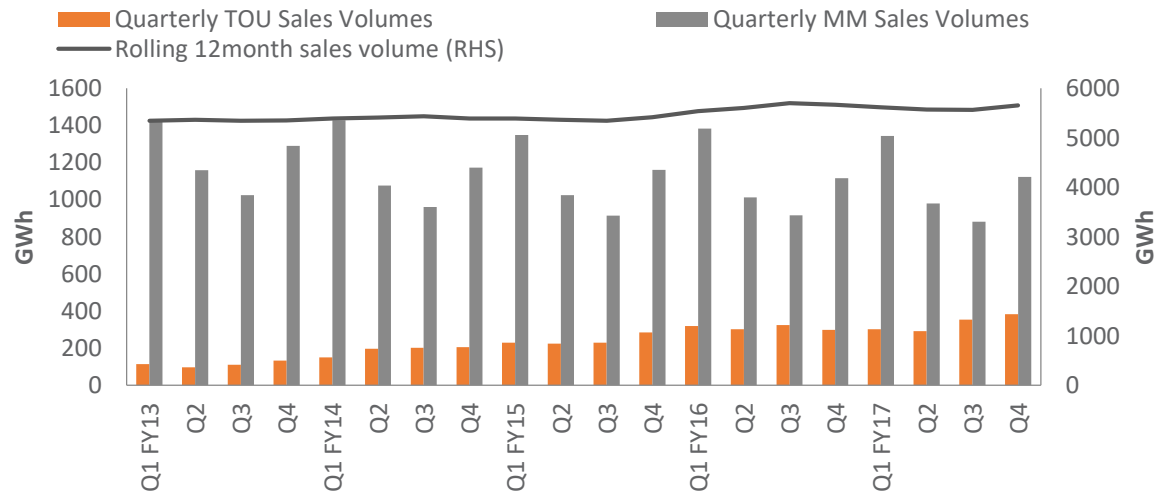
Source: Company data, Electricity Authority

NATURAL GAS CUSTOMER CONNECTIONS & MARKET SHARE

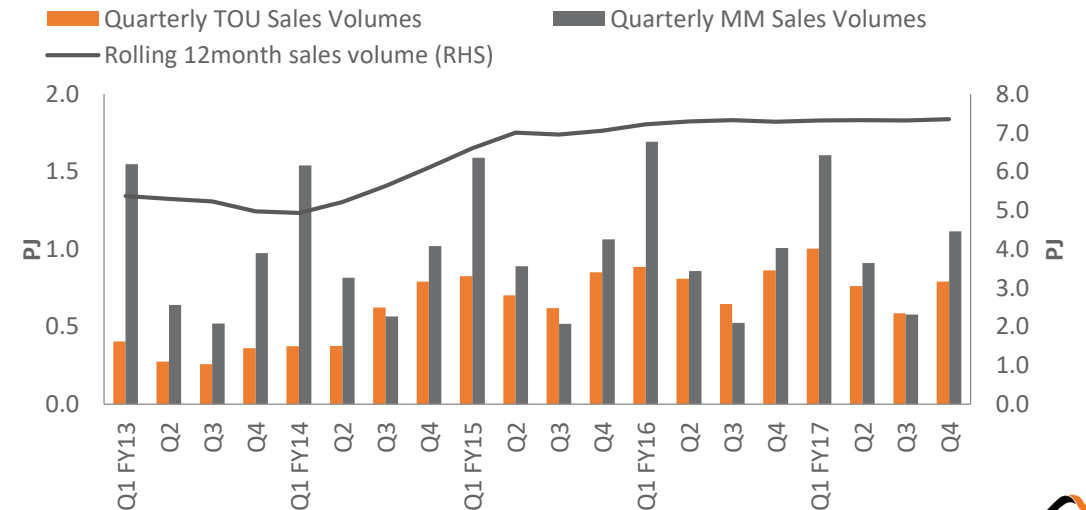


Source: Company data, Gas Industry Co

ELECTRICITY SALES VOLUMES (GWh)



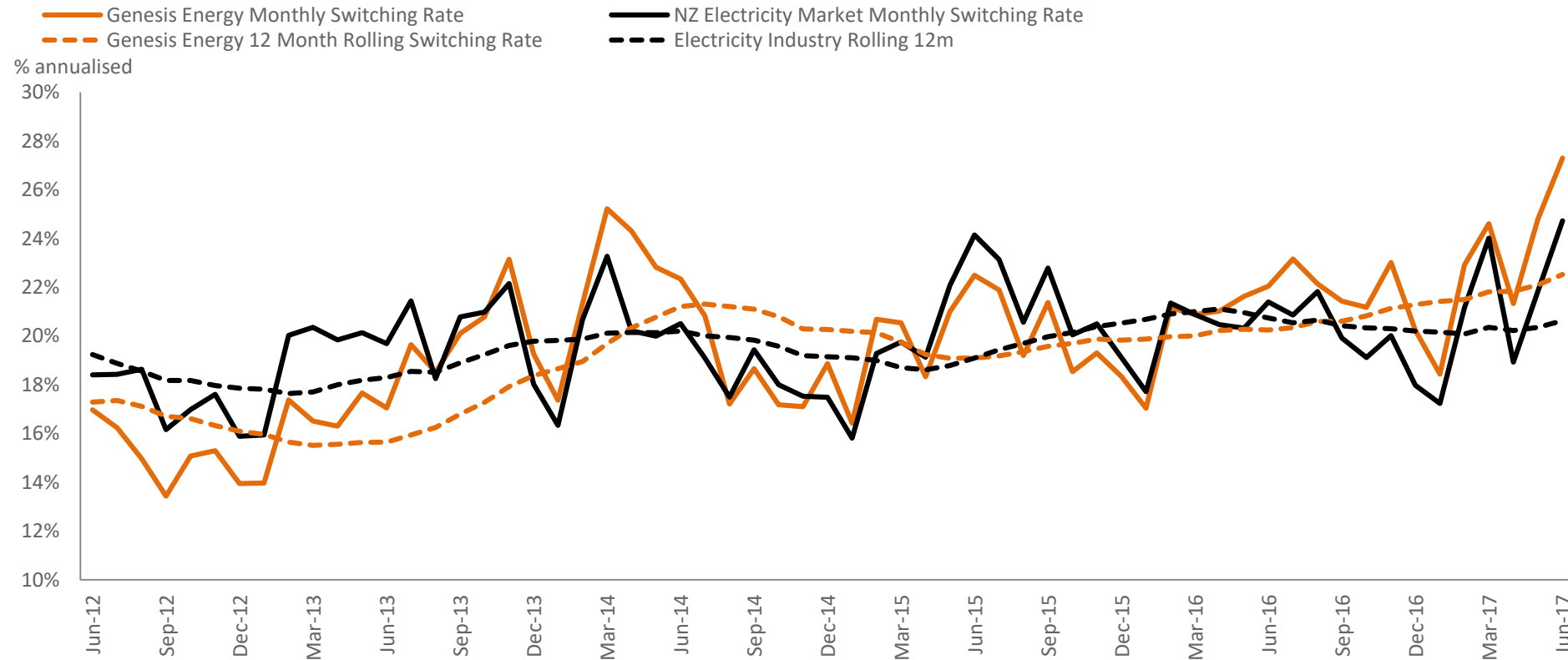
RETAIL GAS SALES VOLUMES (PJ)



Appendix: Customer Segment



GENESIS ENERGY vs. INDUSTRY ELECTRICITY CUSTOMER CONNECTION SWITCHING

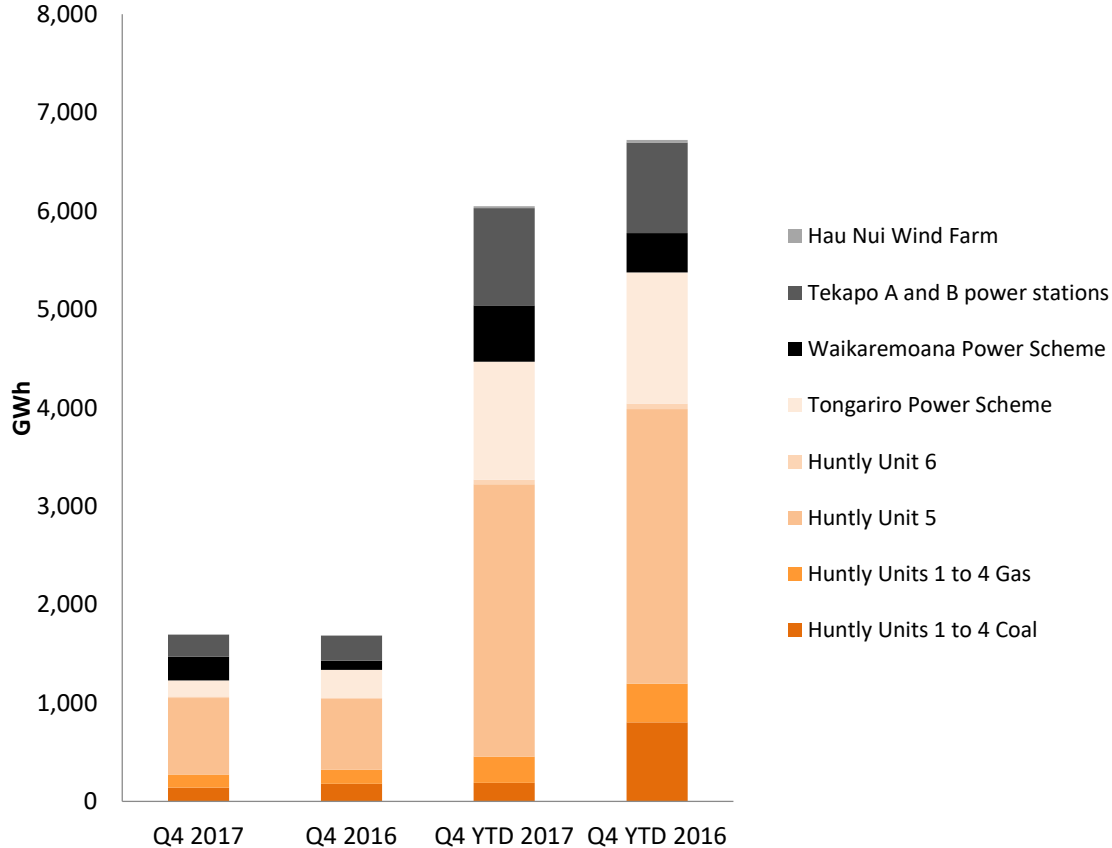


Source: Genesis Energy, Electricity Authority

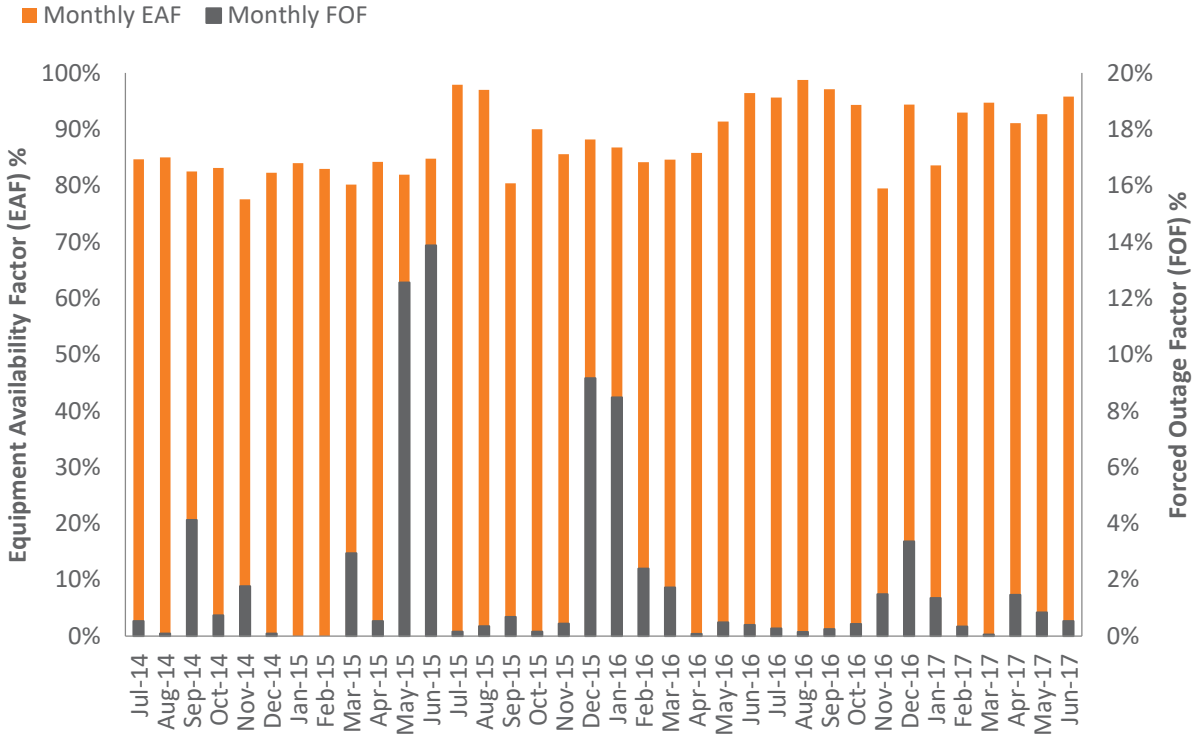
Appendix: Wholesale Segment



GENERATION BY POWER STATION



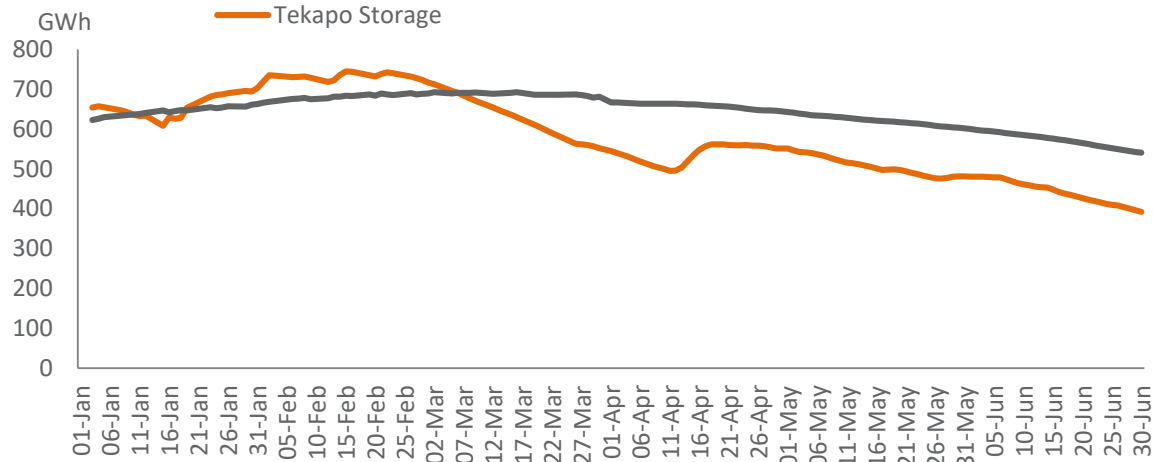
PLANT PERFORMANCE



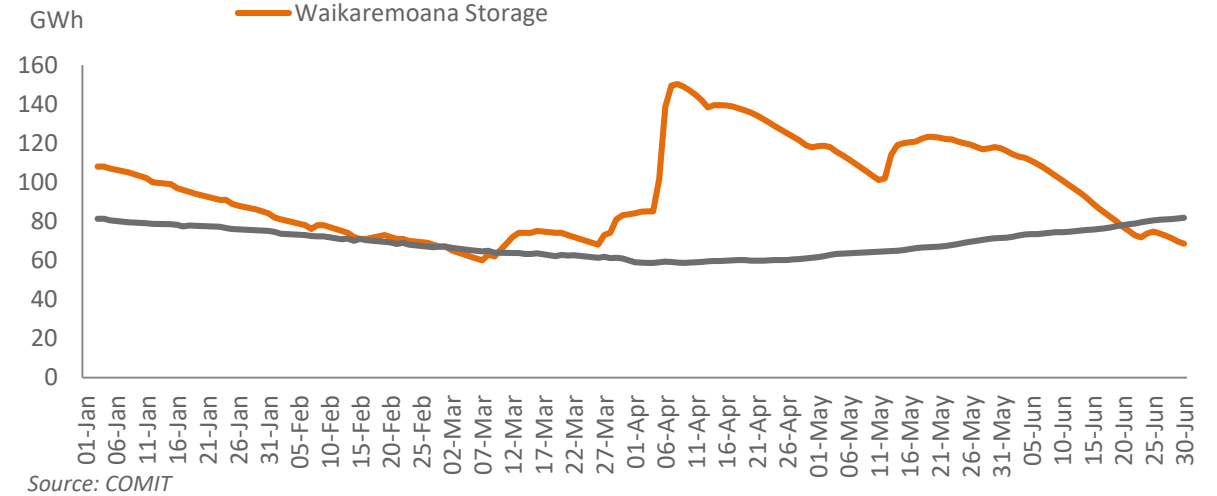
Appendix: Wholesale Segment



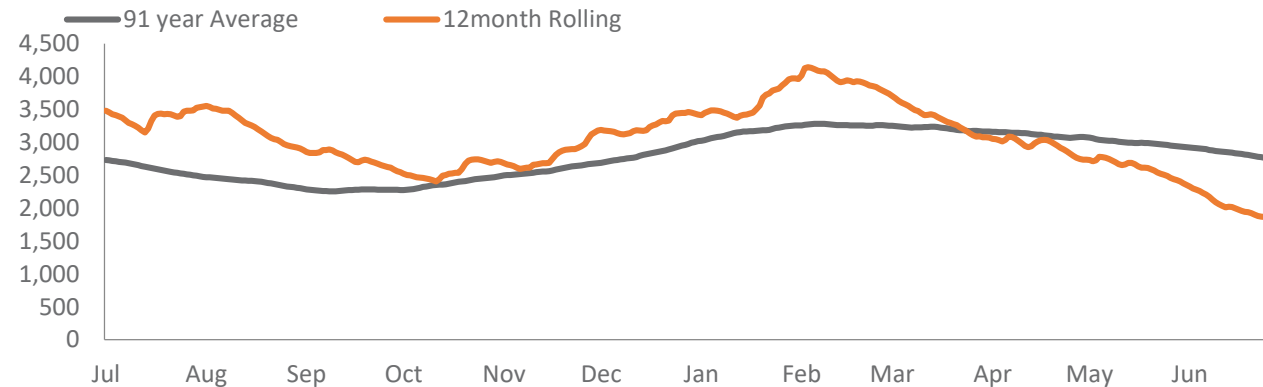
TEKAPO STORAGE vs LONG RUN AVERAGE – Q4 FY2017



WAIKAREMOANA STORAGE vs LONG RUN AVERAGE – Q4 FY2017



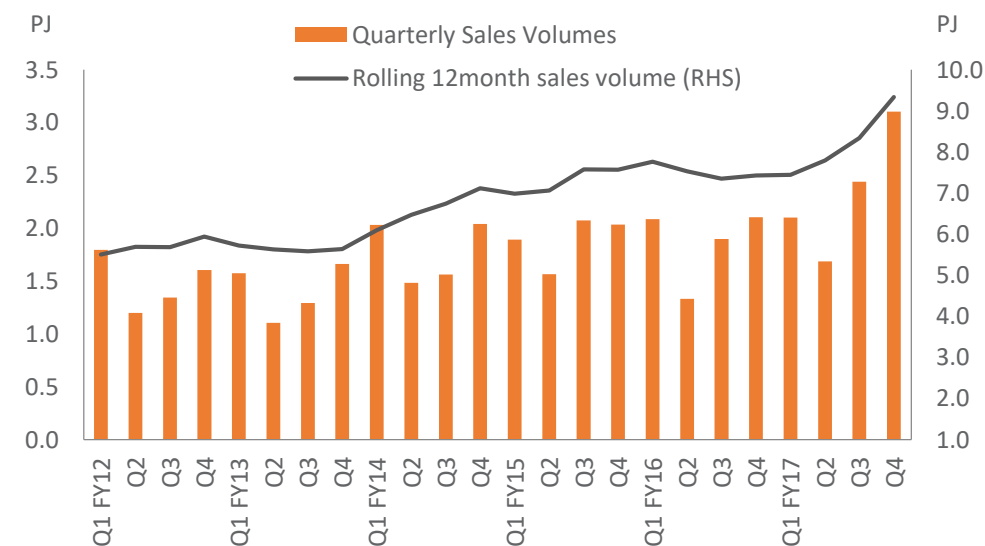
NEW ZEALAND DAILY STORAGE



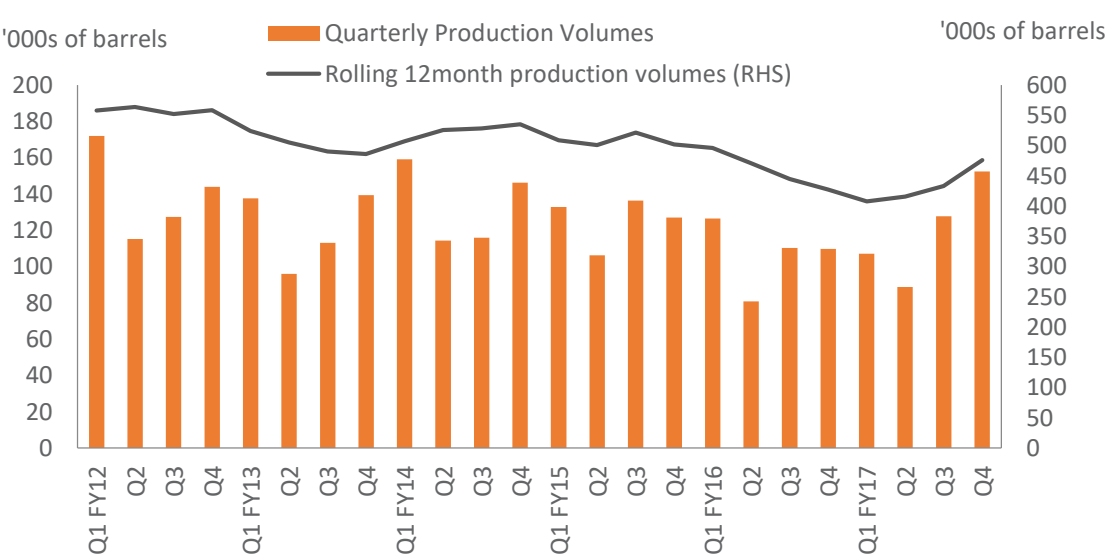
Appendix: Kupe Segment



KUPE GAS SALES VOLUMES (PJ)



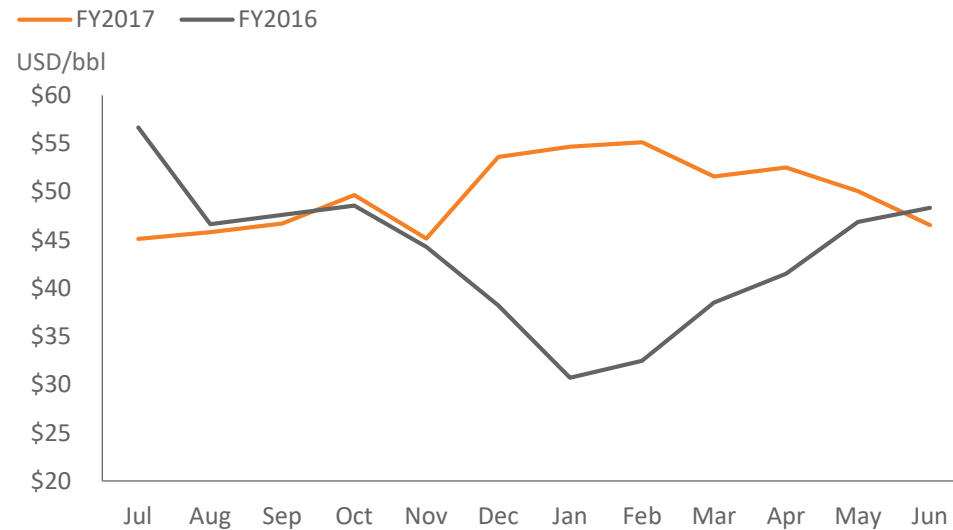
KUPE OIL PRODUCTION VOLUMES (kbbbl)



Appendix: Kupe Segment



BRENT CRUDE OIL SPOT PRICE



OIL PRICE and FOREX RISK MANAGEMENT – NEW DISCLOSURE

FORWARD RISK MANAGEMENT		% HEDGED
Oil Price Hedges		Average Oil Price
1-12 months	74%	USD56.3
13-24 months	55%	USD56.0
25-36 months	16%	USD54.3
USD/NZD Hedges		Rate
1-12 months	76%	0.672
13-24 months	38%	0.680
25-36 months	27%	0.687