24 February 2015

The Genesis Energy Building
660 Great South Road
PO Box 17-188
Greenlane
Auckland 1051
New Zealand

DX Box CX10034

Genesis Energy Limited

Telephone: 09 580 2094

Fax: 09 580 4894

Company Announcement Office
ASX Market Announcements
Exchange Centre
Level 6
20 Bridge Street
Sydney NSW 2000
Australia

Dear Sir/Madam,

Genesis Energy Limited (GNE) – Interim Financial Results for the period ended 31 December 2014

Attached are the following documents in relation to Genesis Energy's half year report for the six months ended 31 December 2014:

- Interim financial results media statement;
- Interim Report for the six months ended 31 December 2014;
- Interim financial results management discussion and analysis;
- Interim results presentation;
- ASX Appendix 4D;
- ASX Listing Rule 4.2A.2A Directors' declaration;
- NZX Appendix 7 in relation to Genesis Energy's interim dividend;

Yours sincerely

Maureen Shaddick
General Counsel and Company Secretary

MARKET RELEASE
Date: 24 February 2015
Release: Immediate

Genesis Energy Limited (GNE) – Sound performance in first half

Despite highly competitive electricity and gas retail market conditions, Genesis Energy delivered a sound financial performance in the six months to 31 December 2014.

Net profit improved to $68.2 million for the six month period, compared to $19.7 million in the first half of 2013/2014 (FY2014). Earnings before net finance expense, income tax, depreciation, depletion, amortisation, impairment, fair value changes and other gains and losses (EBITDAF) increased to $172.8 million from $150.6 million in the comparable period of 2013.

Genesis Energy has announced an interim dividend of 8 cents per share which will be paid on 16 April 2015, with a record date of 2 April 2015.

Key metrics including EBITDAF, net profit, capital expenditure, Free Cash Flow, dividends and net debt all improved in H1 2015 versus H1 2014. This is despite the challenging electricity and gas mass market retail environments, mixed hydrological conditions, lower export crude oil prices and a number of outages across the Company's generation and oil and gas portfolio.

Genesis Energy Chief Executive Albert Brantley said the improvement in earnings came from higher revenue from the Customer Experience and Energy Management business segments, partially offset by higher electricity and gas purchase costs and significant decreases in the international oil price.

"The six month period was characterised by increased competition in the retail electricity market, and year on year increases in thermal generation, while Kupe oil and gas sales volumes were lower than the previous period due to timing of oil shipments and plant outages.

"While there was strong competition for energy customers during the half year and this impacted our total customer accounts, our focus on volume sales ensured a strong revenue and EBITDAF performance for the six months," he said.

Electricity customer account numbers were down 3% to 517,492 when compared to the end of H1 2014. Retail electricity sales volumes were stable at 2,825GWh.

While announcing an improved net profit for the six months to 31 December 2014, Genesis Energy also confirmed it would not be increasing the energy component of its electricity prices in 2105.

Mr Brantley made a pledge to Genesis Energy and Energy Online electricity customers that the Company's portion of the power bill would not rise over the next 12 months, but increases or decreases from local networks or transmission would be passed through.

“We know that our customers want price certainty and this is why we are holding our prices and providing products such as Control-a-bill, which we launched last week,” he said.

With the largest number of residential and commercial customer accounts for electricity and gas in New Zealand, Genesis Energy is dedicated to delivering great customer service, online tools and competitive pricing.

Although Genesis Energy supplied fewer gas customers during the half year, gas sales volumes were up due to a focus on commercial and Time of Use customers. Total gas customer accounts at 31 December 2014 of 108,217 were 6% lower than at the same time in 2013, however, total gas sales volumes were up 29%. LPG sales have also continued to grow, up 21% to 1,944t in Q2 versus 1,608t in H1 2014.

Total generation in the half year reduced 2% to 3,280 GWh compared to H1 2014, due mainly to lower hydro generation as water was conserved in the latter part of the half year. Inflows were particularly low in the Company’s North Island catchments during the second quarter.

Thermal generation of 1,918 GWh was 2% higher than the same period of 2013 due to a preference for running thermal stations over the renewables when prices were higher in Q2 2015, and due to stronger wholesale electricity prices than in the comparable period a year ago. Gas fired generation was down 13% versus 1H 2014 and coal fired generation was up 58% to 641 GWh. This reflected a major planned outage of Huntly Unit 5 in November to December 2014, which was covered by production from the two Huntly coal-fired units.

Genesis Energy’s 31% share of the Kupe Oil and Gas Field continued to contribute a significant proportion of group earnings in H1 2015 even though production of oil and gas were lower than H1 2014. Oil production was down 13% to 238,906 barrels due to a planned outage for Kupe in December to match the Huntly Unit 5 outage. The timing of oil shipments meant that there were no oil sales in November 2014, and Genesis Energy’s share of oil sales were consequently 9% lower at 233,352 barrels versus the previous year. Gas production and sales were also lower than a year ago, although by a much more modest 2%. LPG sales meanwhile were flat at 15,184 tonnes.

Notable operational milestones during the period included signing a four year swaption agreement with Meridian Energy, agreeing an integrated services contract with Transfield Worley Power Services to consolidate a large number of maintenance service contracts into one lead contract, and launching a US Private Placement of US$150 million unsecured loan notes to a range of US investors at competitive coupon rates.

Genesis Energy expects that the current competition for customers in the retail electricity and gas markets will continue through 2015, with elevated switching rates and retailers willing to compete aggressively on price and with bundled products in targeted regions.

Since the start of January 2015 wholesale electricity prices have been stronger than expected due to reduced inflows into hydro catchments, some capacity outages and recent modest improvements in demand.

In summary, the Company is facing headwinds on achieving its 2015 EBITDAF PFI forecast due to lower international oil prices and continued aggressive retail competition. There is some opportunity for these impacts to be offset by sustainable operating cost reductions and the improved wholesale electricity prices currently being experienced.

The FY2015 PFI estimate for NPAT of $95.4m is likely to be met or exceeded based on current projections of fair value changes.

Genesis Energy reiterates its intention to pay a total dividend for FY2015 of 16.0 cents per share in line with the PFI.

ENDS

For media enquiries, please contact:
Richard Gordon
Public Affairs Manager
Genesis Energy
P: 09 951 9280
M: 021 681 305

For investor relations enquiries, please contact:
Rodney Deacon
Investor Relations Manager
Genesis Energy
P: 09 571 4970
M: 021 631 074

About Genesis Energy

Genesis Energy (NZX: GNE) is a diversified New Zealand energy company. It sells electricity, reticulated natural gas and LPG through its retail brands of Genesis Energy and Energy Online. It is New Zealand's largest energy retailer with around 640,000 customer accounts. The Company generates electricity from a diverse portfolio of thermal and renewable generation assets located in different parts of the country. Genesis Energy also has a 31% interest in the Kupe Joint Venture, which owns the Kupe Oil and Gas Field offshore of Taranaki, New Zealand. Genesis Energy had revenue of $NZ2bn during the 12 months ended 30 June 2014. More information can be found at www.genesisenergy.co.nz

THIS IS **YOUR ENERGY** COMPANY...

GENESIS ENERGY
INTERIM REPORT
2014/2015

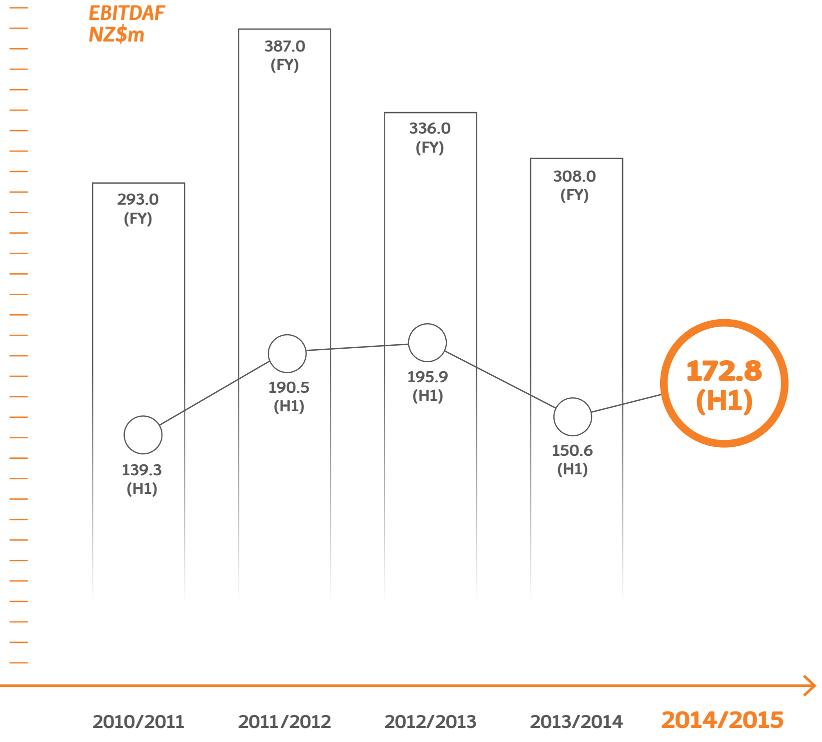
genesis ENERGY

we're in it for you

THIS IS
OUR
REPORT
TO YOU.

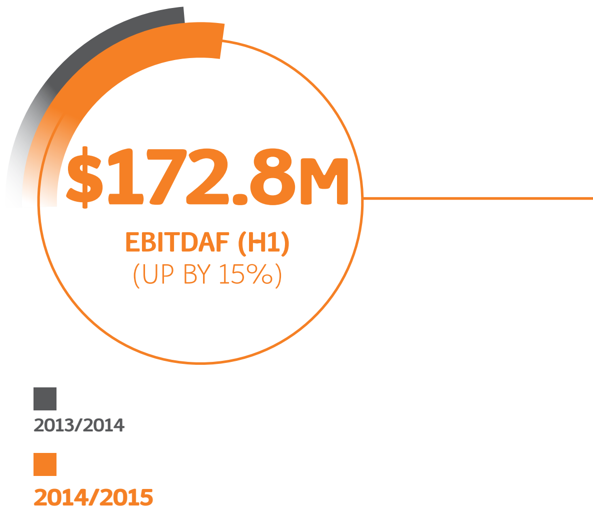
YOUR INVESTMENT IS UNDERPINNED BY **OUR** PERFORMANCE.

YOUR INVESTMENT
OUR PERFORMANCE AT A GLANCE



PERFORMANCE

Against challenging retail competition for customers, Genesis Energy achieved a sound financial performance for the six months to 31 December 2014.



$68.2M

NET PROFIT AFTER TAX
(UP BY 246.0%)

0.54

TOTAL RECORDABLE INJURY FREQUENCY RATE
(DOWN BY 80.0%)

$3.6B

TOTAL ASSETS

34.5%

GEARING RATIO

A NEW JUVENILE
WHIO
REARING FACILITY

ONLINE 'SELF SERVICE SAVER'
PLANS
OFFERED TO NEW ELECTRICITY CUSTOMERS

TOTAL ACCOUNTS
-3.4%
BUT COMMERCIAL CUSTOMER NUMBERS AND CONSUMER DEMAND ARE BOTH UP

+29%
INCREASE IN RETAIL GAS SALES

$71.75
AVERAGE PRICE RECEIVED PER MW
(UP BY 32%)

SHARE

Growth in consumer demand plus a focus on commercial customers, advanced retail electricity and gas sales although total customer accounts declined 3.4 per cent.

2013/2014

2014/2015

KUPE

Genesis Energy works with its Kupe joint venture partners to ensure the oil and gas field is working to maximum capacity, given the seasonal nature of gas market demand.

GENERATION

The average price received per megawatt was up by a third to $71.75, although total generation volumes were down slightly.

YOUR EXPECTATION
OUR PROMISE

SOUND PERFORMANCE FROM A DIVERSIFIED BUSINESS

Genesis Energy operates in continuously evolving consumer markets within a wholesale energy context of volatile prices and changing demand. The New Zealand electricity and gas market remains one of the most competitive in the world, evidenced by the significant retail challenges over the past six months.

Despite these highly competitive market conditions, the Board and Management are able to report a sound financial performance in the six months to 31 December 2014. Although most of the key financial metrics are higher than they were in the same period in 2013, there were a number of one-off items and market events that impacted the previous period's results.

The Board and Management are pleased to present an improved net profit after tax of $68.2 million for the six-month period, compared to $19.7 million in the first half of 2013/2014 (FY2014).

Earnings before net finance expense, income tax, depreciation, depletion, amortisation, impairment, fair value changes and other gains and losses (EBITDAF) increased to $172.8 million from $150.6 million in the comparable period of 2013.

$68.2M

NPAT

$80.0M

INTERIM DIVIDEND

Dame Jenny Shipley
Chairman of the Board

$172.8M

EBITDAF

The improvement in earnings can be attributed to increased EBITDAF from the Company's Customer Experience and Energy Management business activities, offset in part by a reduction in earnings from the Oil and Gas segment.

While total customer numbers for electricity, gas and LPG were down by 3.4 per cent at 31 December 2014 compared to 31 December 2013, retail electricity sales volumes were stable and gas sales climbed 29.0 per cent. LPG customers and sales were also up by 21.0 per cent. EBITDAF from the Customer Experience business activity was up from $35.6 million to $44.2 million.

Energy Management's total generation output was down by 1.9 per cent. However, wholesale market conditions were favourable to the Company's diverse portfolio of generating assets, and the average price received for generation during the six months was up by 31.5 per cent to $71.75 from $54.55 in the first half of FY2014.

The higher total EBITDAF, supported by a $34.6 million positive change in the fair value of financial instruments, resulted in the net profit increase. The change in the fair value of financial instruments mainly relates to movement in the fair value of electricity swaps and options driven by changes in the electricity price path between the date contracts were entered into and the reporting date.

ENHANCED COMPETITION FOR CUSTOMERS

The electricity and gas retail markets are experiencing increasing competition as customers demand cost-effective and simple services. In addition, the sector is facing some degree of fragmentation caused by new entrants and an overall pessimistic consumer outlook, resulting in declining brand loyalty for established retail market participants.

Genesis Energy and its sub-brand Energy Online is responding to these challenges, and experienced some success during the past six months with lower switching rates compared to those of the previous six months of 2014, as well as improved customer retention. However, a weaker December resulted in an overall decline in customer numbers of 3.4 per cent compared to those of 31 December 2013. Retail gas customer accounts were down by 6.4 per cent during the half-year, due to intense competition and new entrants in the gas market.

Albert Brantley
Chief Executive

KEEPING AN EYE ON CUSTOMER NEEDS

David Goadby
General Manager Retail

In senior executive moves, David Goadby joined the Company in July 2014 as General Manager Retail.

David has held a number of senior sales and marketing roles in Australia and Britain including his most recent role as General Manager – Retail at Australian Power & Gas in Sydney.

The Company launched an online 'Self-Service Saver' plan to new electricity customers as part of the Company's positioning to meet the changing needs of New Zealand consumers. The plan offered the best promotional electricity rates in the new customer's region on a one-year fixed-term electricity plan. While providing benefit to consumers, the new plan generates incremental savings to Genesis Energy (up to 57 per cent in handling costs per customer per month) by using online channels to deliver bills and customer communications instead of physical documents.

CUSTOMER EXPERIENCE PERFORMANCE

	H1 2014/2015	H1 2013/2014	% CHANGE
TOTAL CUSTOMER ACCOUNTS	638,790	660,949	-3.4
GAS CUSTOMERS	108,217	115,613	-6.4
ELECTRICITY CUSTOMERS	517,492	534,597	-3.2
LPG CUSTOMERS	13,081	10,739	+21.8
NORTH ISLAND CUSTOMERS	435,973	451,768	-3.5
SOUTH ISLAND CUSTOMERS	81,519	82,829	-1.6
MASS MARKET ELECTRICITY SALES (GWH)	2,373	2,505	-5.3
TOU ELECTRICITY SALES (GWH)	453	346	+30.9
TOTAL ELECTRICITY SALES (GWH)	2,825	2,851	-0.9
RETAIL GAS SALES (PJ)	4.0	3.1	+29.0
LPG SALES (TONNES)	1,944	1,608	+20.9
AVERAGE RETAIL ELECTRICITY PURCHASE PRICE ($/MWH)	72.45	53.98	+34.2

Genesis Energy agreed to be the major sponsor of* My Kitchen Rules New Zealand *at the beginning of the half-year.

The sponsorship, including online activities, supported a multifaceted customer-acquisition campaign designed to create more in-home relevance for the Genesis Energy brand. The campaign and associated internal process were catalysts for customer account growth from August through to November.

ENERGY MANAGEMENT

Earnings (EBITDAF) from the Energy Management business activity increased to $100.7 million from $82.2 million compared to the first half of 2014.

The average price received per megawatt was up by 31.5 per cent to $71.75 ($54.55 in H1 2014), although total generation volumes were down by 1.9 per cent. The higher price reflected a number of plant outages as well as increased demand in the wholesale market. The national hydro storage situation in the period under review was also close to historical average levels compared to above-average levels in the previous comparable period.

Towards the end of the six-month period, the Company's own hydro storage and availability declined and the Company favoured its thermal plant in order to manage its hydro reserves. As a result, total hydro generation for the six months was down by 7.2 per cent while thermal generation was up by 2.3 per cent.

150MW

'SWAPTION' AGREEMENT

In July 2014, Genesis Energy signed a 'swaption' electricity hedge contract to provide dry-year cover for Meridian Energy for four years from 1 January 2015. The 150MW swaption followed on from a previous agreement between Genesis Energy and Meridian Energy for 200MW, which expired in October 2014.

The new four-year agreement has a provision to terminate after the first two years in the event Meridian's contract with New Zealand's Aluminium Smelter Limited sees a reduction in volume. The structure of the new agreement allows for 100MW to be available year-round, with an additional 50MW available from 1 April to 30 October in each year of the contract.

Genesis Energy's prospective financial information (PFI) included in the Company's April 2014 Share Offer was prepared on the assumption that the 200MW swaption existing at that time would not be replaced with a similar instrument. The new agreement, therefore, is expected to have a positive impact on Genesis Energy's FY2015 performance.

INTEGRATED SERVICES CONTRACT

During the half-year, Genesis Energy also signed an all-of-company contract with Transfield Worley Power Services that led to 80 separate outsourced maintenance service contracts being rolled up into one lead contract. The Company moved to an integrated services model as part of its drive for overall greater efficiency. The agreement for integrated services will standardise a high level of safety, quality and flexibility throughout the Company's business activities.

The five-year contract, valued at approximately $20 million a year, is expected to provide immediate operating cost savings of around 10 per cent per annum and is expected to create longer-term value for the Company through administrative and operational efficiencies.

GENERATION DATA

TYPE	H1 2014/2015	H1 2013/2014	% CHANGE
GAS (GWh)	1,277	1,471	-13.2
COAL (GWh)	641	405	+58.5
TOTAL THERMAL (GWh)	1,918	1,875	+2.3
HYDRO (GWh)	1,351	1,456	-7.2
WIND (GWh)	11	12	-6.7
TOTAL RENEWABLE (GWh)	1,363	1,468	-7.2
TOTAL GENERATION (GWh)	3,280	3,344	-1.9
NORTH ISLAND (GWh)	2,813	2,742	+2.6
SOUTH ISLAND (GWh)	467	601	-22.3
AVERAGE PRICE RECEIVED ($MWh)	$71.75	$54.55	+31.5
CARBON EMISSIONS FROM GENERATING (KILOTONNES CO_2)	1,143	1,036	+10.3
GENERATION CARBON INTENSITY (TONNES CO_2/GWH)	348	310	+12.5

KUPE CONTRIBUTION

Genesis Energy's 31 per cent share of the Kupe Oil and Gas field continued to contribute a significant proportion of Group earnings in the half-year, adding $46.9 million EBITDAF to the Group compared to $55.0 million in the same period of FY2014. Gas revenue of $28.1 million was down slightly from $29.3 million, and revenue from oil sales was down to $34.3 million from $42.6 million. The reduction in oil and gas revenues and EBITDAF contribution mainly reflect the lower production and sales volumes.

Genesis Energy hedges both the Brent Crude oil price in US dollars and the foreign currency exposure of converting US dollars to NZ dollars.

The Company's hedging policy requires that between 50 per cent and 75 per cent of the next 12 months' oil sales are hedged on a rolling basis, and between 25 per cent and 50 per cent for months 13 to 24.

The prices achieved for volumes above this level reflect the international spot oil market and the significant recent drop in international oil prices is likely to have an impact on oil revenues in the second half of the financial year.

$46.9M

KUPE EBITDAF CONTRIBUTION

COAL, OIL AND GAS

	H1 2014/2015	H1 2013/2014	% CHANGE
COAL USED IN GENERATION (PJ)	7.2	4.5	+58.8
COAL STOCKPILE (KILOTONNES)	870.7	993.8	-12.4
GAS PURCHASES (PJ)	24.2	20.5	+17.8
WHOLESALE GAS SALES (PJ)	10.7	5.7	+86.7
GAS USED IN GENERATION (PJ)	9.6	11.8	-18.8
KUPE – GENESIS ENERGY SALES SHARES:			
GAS SALES (PJ)	3.5	3.5	-0.6
OIL PRODUCTION (KBBL)	238.9	273.2	-12.6
OIL SALES (KBBL)	233.4	255.1	-8.5
LPG SALES (KILOTONNES)	15.2	15.1	+0.4

IWI RELATIONSHIPS STRENGTHENED

LAKE ROTOAIRA EASEMENT AGREEMENT ESTABLISHED

A Relationship Agreement, signed in October 2014 between the Lake Rotoaira Trust, Lake Rotoaira Forest Trust and Genesis Energy, allows for the grant of an easement in respect of Lake Rotoaira and surrounding land affected by the operation of the Tongariro Power Scheme. The agreement provides long-term certainty for the Tongariro Power Scheme and paves the way for a closer working relationship between the Trusts and Genesis Energy.

The Genesis Energy Board and Management acknowledge the perseverance, innovation and respect shown by the Trusts' negotiators and their advisors. We had constructive dialogue over the past two years which has enhanced our relationship with the Trusts, and we believe that this will only grow stronger following this agreement.

Lake Rotoaira is a privately owned lake administered by the Lake Rotoaira Trust on behalf of its owners.

The Lake is essentially the water-holding hub of the Tongariro Power Scheme, collecting waters from the Scheme's Eastern Diversion (headwaters of the Moawhango and Whangaehu Rivers) and Western Diversion (headwaters of the Whanganui River), before sending it under Mount Tihia to the Tokaanu Power Station and on to Lake Taupō. Some of the land surrounding the lake is inundated as a result of the operation of the scheme and its interests are in part represented by the Lake Rotoaira Forest Trust.

SIGNING OF RELATIONSHIP AGREEMENT REGARDING THE LAKE ROTOAIRA EASEMENT

RESTORATION OF TAIPOURI ISLAND

The riparian enhancement works at Taipouri Island, a culturally significant location adjacent to the Huntly Power Station ash ponds, was undertaken through the winter of 2014. The enhancement work was completed as part of Huntly Power Station resource consent activities and as part of the Relationship Agreement with Hukanui Amuri.

SPONSORSHIP BOOST FOR AORAKI BOUND

The opportunity for young Māori to develop leadership skills and personal and cultural growth on the Aoraki Bound programme is the focus of a partnership between Te Rūnanga o Ngāi Tahu and Genesis Energy.

In December 2014, Genesis Energy, along with co-sponsor Bank of New Zealand, reconfirmed its support for Aoraki Bound. The agreement ensures Aoraki Bound continues to provide future Māori leaders with a unique experience, at the same time facilitating greater cultural understanding and respect.

Aoraki Bound combines Ngāi Tahu cultural knowledge and expertise with the experience and reputation of Outward Bound in a journey from Anakiwa at the top of Te Waipounamu to the foot of Aoraki/Mount Cook in the south. The programme has been running for nine years and 197 participants have taken part since its inception in 2006.

YOUR SAFETY
OUR PRIORITY

RECOGNITION FOR TE REO

Genesis Energy honoured its cultural diversity through celebrating Māori Language Week in July 2014 across its sites with poi demonstrations, hangi, Kapa Haka and quizzes with spot prizes. This activity, combined with other company-wide Te Reo initiatives, resulted in the Company winning a 2014 Te Wiki o te Reo Māori Award for the private sector in November 2014. The awards are run by Te Taura Whiri te Reo Māori (Māori Language Commission) to recognise Māori language excellence, innovation and success.

GM GENERATION TRACEY HICKMAN, GM CORPORATE SERVICES ANDREW STEELE AND GROUP MANAGER SAFETY BRENT MILLER CELEBRATE WITH THE DELOITTE ENERGY EXCELLENCE AWARD FOR HEALTH AND SAFETY INITIATIVE.

DELOITTE ENERGY EXCELLENCE AWARDS WINNER

PEOPLE AND SAFETY

SAFETY

The Company's December 2014 Total Recordable Injury Frequency Rate (TRIFR) reduced to less than 0.54 (2.69 at 31 December 2013). The Company has made substantial progress on its journey towards Zero Harm – looking back to 2011, the TRIFR exceeded 30. During the past six-month period, there was one lost-time injury at a Genesis Energy site.

2011 TRIFR EXCEEDED 30

2014 TRIFR ACHIEVED 0.54

TRIFR is a key performance indicator that the Company uses to measure Genesis Energy's improvement in health and safety compared to other industry players and New Zealand and Australian employers in general. The number represents the ratio of recordable injury incidents per 1,000,000 hours worked.

The comprehensive and company-wide attention to personal health and safety gained national recognition in August 2014, when Genesis Energy won the Excellence in Health and Safety Award at the Deloitte Energy Excellence Awards. The award is for the best overall demonstration of health and safety by an organisation operating in the New Zealand energy sector.

887

FULL TIME EQUIVALENT EMPLOYEES ***as at 31 December 2014***

DIVERSITY AT WORK

The Company is committed to achieving a diversity in its workforce that reflects the growing diversity of New Zealand. The Company remains committed to reporting annually its progress towards achieving diversity of gender and other measures.

These ongoing efforts were recognised in the half-year when Genesis Energy was selected as a finalist in the Diversity category at the Deloitte Business Awards.

38%

TAKE UP ON EMPLOYEE SHARE SCHEME OFFER

Genesis Energy's Employee Share Scheme was initiated in August 2014.

The scheme enables employees to purchase Genesis Energy shares directly each month from their after-tax salaries; this provides the opportunity for staff to share in the Company's future success and aligns their interests with other shareholders.

Just over 38 per cent of eligible employees took up the offer. This was an outstanding response and, according to the Company's share registrar, Computershare, ranks with the best in the world in respect of participation rates. Share purchases on behalf of the scheme's participants started in September 2014.

YOUR COMMUNITIES OUR SUPPORT

SCHOOLGEN ACCELERATES

The Company's premier community investment programme, Schoolgen, has now provided solar panels to 71 schools throughout New Zealand and helps teachers and students learn about solar energy and energy efficiency. The programme continues to grow and gain traction as school boards see the value of solar energy and commit additional funding to solar panel installations.

A good example of this commitment was seen during the past six months at Vauxhall School in Auckland which share-funded the installation of the largest solar array on a school roof in the North Island and equal largest on any existing school in New Zealand. Vauxhall School's involvement in the programme was sparked by its wish to become a modern learning environment which embraces sustainability.

During the six-month period, a second tranche of four schools gained solar panels with joint funding from the Wellington City Council, which has agreed to joint-fund a total of 16 Wellington schools into the programme.

All New Zealand schools are able to use the Schoolgen teaching resources about electricity generation, solar energy, photovoltaic systems and energy efficiency. Also, Schoolgen schools are supplied with free educational resources that are linked to the New Zealand Curriculum and receive ongoing support from Genesis Energy's two environmental educators.

71
SCHOOLS THROUGHOUT NEW ZEALAND

www.schoolgen.co.nz

SCHOOLGEN LAUNCH ASSEMBLY AT VAUXHALL SCHOOL

HELPING OUT IN HUNTLY

Genesis Energy supports the Huntly community in many different ways. Most recently, the Company supported an initiative to encourage children to speak out against domestic violence. Around 500 cases are being reported to police in Huntly each year and this campaign is about making sure domestic violence does not become accepted as normal behaviour. The programme, which is being run by Raukura Waikato Social Services Trust, involves tutors working with Huntly school children and teaching them to use art and song to express their opinions about domestic violence.

In Huntly, Genesis Energy also: provides funding support to the Foundation for Youth Development – Kiwi Can programmes in a number of Huntly primary schools; provides scholarships for students at Huntly College and Te Wharekura O Rakaumangamanga (the Māori immersion school); and supports Waikato RiverCare.

34
MORE KWPH INSTALLED

WHIO NUMBERS UP ON LAST YEAR

WHIO FOREVER: IN PARTNERSHIP WITH THE DEPARTMENT OF CONSERVATION

DUCKLINGS HATCHED

- Record number of ducklings hatched at Tongariro Forest = 202.
- Record year for Wangapeka/Fyfe too, with 50 ducklings from 16 pairs – the highest density of birds yet.

CAPTIVE REARING

- 39 ducklings hatched in captivity and available for release this season.
- First season for National Trout Centre hardening facility working at full capacity with 23 ducklings currently being conditioned there.

STOAT TRAP LINES UPGRADED

- 1,620 replacement traps installed in Te Urewera.
- 125 additional traps installed to expand trap networks at three recovery sites: Pungapunga, Pearse and Arthur's Pass.

MINISTER OF CONSERVATION, MAGGIE BARRY, CHIEF EXECUTIVE ALBERT BRANTLEY AND GUESTS RELEASE WHIO INTO NEW TURANGI NURSERY.

202
WHIO DUCKLINGS HATCHED AT TONGARIRO FOREST

PROGRESS AT COMMUNITY INITIATIVES SUPPORTED BY GENESIS ENERGY

HILLARY STEP

A total of 90 students from Huntly, Wairoa and Ruapehu Colleges and Tongariro School attended Hillary Outdoors Programmes.

TAUPO FOR TOMORROW

In Turangi, 1,445 students were involved with the programme on site at the National Trout Centre.

DUFFY BOOKS IN HOMES

From 1 July to 31 December 2014, 1,058 books were given to school pupils at Huntly Primary and Huntly West Schools.

CURTAIN BANKS

CURTAIN BANK LOCATION	FAMILIES ASSISTED JULY TO DEC 2014
CHRISTCHURCH (COMMUNITY ENERGY ACTION)	449
WELLINGTON (SUSTAINABILITY TRUST)	400
AUCKLAND (VISIONWEST)	120

FOUNDATION FOR YOUTH DEVELOPMENT

LOCATION (BACKGROUND)	TOTAL CHILDREN JULY TO DEC 2014
HUNTLY WEST (98% MĀORI)	179
OHINEWAI (38% MĀORI, 53% EUROPEAN)	128
AUCKLAND (88% MĀORI)	50

INDEPENDENT REVIEW REPORT

TO THE SHAREHOLDERS OF GENESIS ENERGY LIMITED

We have reviewed the condensed consolidated interim financial statements of Genesis Energy Limited ("the Company") and its subsidiaries ("the Group") which comprise the balance sheet as at 31 December 2014, and the comprehensive income statement, statement of changes in equity and cash flow statement for the six months ended on that date, and a summary of significant accounting policies and other explanatory information on pages 15 to 28.

This report is made solely to the company's shareholders, as a body. Our review has been undertaken so that we might state to the company's shareholders those matters we are required to state to them in a review report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company's shareholders as a body, for our engagement, for this report, or for the opinions we have formed.

Board of Directors' Responsibilities

The Board of Directors are responsible for the preparation and fair presentation of the condensed consolidated interim financial statements, in accordance with NZ IAS 34 *Interim Financial Reporting* and IAS 34 *Interim Financial Reporting* and for such internal control as the Board of Directors determine is necessary to enable the preparation and fair presentation of the condensed consolidated interim financial statements that are free from material misstatement, whether due to fraud or error.

The Board of Directors are also responsible for the publication of the condensed consolidated interim financial statements, whether in printed or electronic form.

Independent Reviewer's Responsibilities

The Auditor-General is the auditor of the Group pursuant to section 5(1)(f) of the Public Audit Act 2001. Pursuant to section 32 of the Public Audit Act 2001, the Auditor-General has appointed Andrew Dick of Deloitte to carry out the annual audit of the Group.

Our responsibility is to express a conclusion on the condensed consolidated interim financial statements based on our review. We conducted our review in accordance with NZ SRE 2410 *Review of Financial Statements Performed by the Independent Auditor of the Entity* (NZ SRE 2410). NZ SRE 2410 requires us to conclude whether anything has come to our attention that causes us to believe that the condensed consolidated interim financial statements, taken as a whole, are not prepared, in all material respects, in accordance with NZ IAS 34 *Interim Financial Reporting* and IAS 34 *Interim Financial Reporting*. As the auditor of Genesis Energy Limited, NZ SRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial statements.

A review of the condensed consolidated interim financial statements in accordance with NZ SRE 2410 is a limited assurance engagement. The auditor performs procedures, primarily consisting of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing (New Zealand). Accordingly we do not express an audit opinion on the condensed consolidated interim financial statements.

We did not evaluate the security and controls over the electronic publication of the condensed consolidated interim financial statements.

In addition to this review and the audit of the Group annual financial statements, we have performed other assurance services which are compatible with the independence requirements of the Auditor-General, which incorporate the independence requirements of the External Reporting Board. In addition, principals and employees of our firm deal with the Group on arm's length terms within the ordinary course of trading activities of the Group. These services have not impaired our independence as auditor of the Company or Group. Other than these engagements and arm's length transactions, and in our capacity as auditor acting on behalf of the Auditor-General, we have no relationship with, or interests in, the Company or Group.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated interim financial statements do not present fairly, in all material respects, the financial position of the Group as at 31 December 2014 and of its financial performance and its cash flows for the six months ended on that date in accordance with NZ IAS 34: *Interim Financial Reporting* and IAS 34: *Interim Financial Reporting*.

Andrew Dick

Deloitte
On behalf of the Auditor-General
23 February 2015
Auckland, New Zealand

Deloitte.

Genesis Energy Group
comprising Genesis Energy Limited and its subsidiaries

CONDENSED INTERIM FINANCIAL STATEMENTS

For the six-month period ended 31 December 2014

Contents

INTERIM COMPREHENSIVE INCOME STATEMENT

For the six-month period ended 31 December 2014

Genesis Energy Group	Note	6 months ended 31 December 2014 Unaudited $ million	6 months ended 31 December 2013 Audited $ million
Operating revenue			
Electricity revenue		**869.6**	809.2
Gas revenue		**155.8**	117.7
Petroleum revenue		**34.3**	42.6
Other revenue		**8.1**	3.6
		1,067.8	973.1
Operating expenses			
Electricity purchases, transmission and distribution		**(491.4)**	(422.8)
Gas purchases and transmission		**(158.9)**	(113.9)
Petroleum production, marketing and distribution		**(13.4)**	(14.5)
Fuels consumed		**(89.0)**	(95.3)
Employee benefits		**(42.5)**	(45.6)
Other operating expenses	3	**(99.8)**	(130.4)
		(895.0)	(822.5)
Earnings before net finance expense, income tax, depreciation, depletion, amortisation, impairment, fair value changes and other gains and losses		**172.8**	150.6
Depreciation, depletion and amortisation		**(75.7)**	(81.2)
Impairment of non-current assets	4	**(3.3)**	(3.6)
Change in fair value of financial instruments	5	**34.6**	(2.6)
Other gains (losses)		**0.9**	(0.3)
		(43.5)	(87.7)
Profit before net finance expense and income tax		**129.3**	62.9
Finance revenue		**0.4**	0.4
Finance expense	6	**(34.3)**	(34.6)
Profit before income tax		**95.4**	28.7
Income tax (expense)		**(27.2)**	(9.0)
Net profit for the period		**68.2**	19.7
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss:			
Change in cash flow hedge reserve		**(8.6)**	(3.9)
Income tax credit relating to items that may be reclassified		**2.4**	1.1
Total items that may be reclassified subsequently to profit or loss		**(6.2)**	(2.8)
Total other comprehensive income for the period		**(6.2)**	(2.8)
Total comprehensive income for the period		**62.0**	16.9
Earnings per share from operations attributable to shareholders of the Parent			
Basic and diluted earnings per share (cents)	7	**6.82**	1.97

The above statements to be read in conjunction with the accompanying notes.

INTERIM STATEMENT OF CHANGES IN EQUITY

For the six-month period ended 31 December 2014

Genesis Energy Group	**Note**	Share capital Unaudited $ million	Asset revaluation reserve Unaudited $ million	Cash flow hedge reserve Unaudited $ million	Retained earnings Unaudited $ million	Total Unaudited $ million
Balance as at 1 July 2014		**539.7**	**805.8**	**(5.1)**	**540.3**	**1,880.7**
Net profit for the period		**–**	**–**	**–**	**68.2**	**68.2**
Other comprehensive income						
Change in cash flow hedge reserve		**–**	**–**	**(8.6)**	**–**	**(8.6)**
Income tax credit relating to other comprehensive income		**–**	**–**	**2.4**	**–**	**2.4**
Total comprehensive income for the period		**–**	**–**	**(6.2)**	**68.2**	**62.0**
Dividends	8	**–**	**–**	**–**	**(66.0)**	**(66.0)**
Balance as at 31 December 2014		**539.7**	**805.8**	**(11.3)**	**542.5**	**1,876.7**

	Note	Share capital Audited $ million	Asset revaluation reserve Audited $ million	Cash flow hedge reserve Audited $ million	Retained earnings Audited $ million	Total Audited $ million
Balance as at 1 July 2013		540.6	806.4	(8.7)	611.5	1,949.8
Net profit for the period		–	–	–	19.7	19.7
Other comprehensive income						
Change in cash flow hedge reserve		–	–	(3.9)	–	(3.9)
Income tax credit relating to other comprehensive income		–	–	1.1	–	1.1
Total comprehensive income for the period		–	–	(2.8)	19.7	16.9
Revaluation reserve reclassified to retained earnings on disposal of assets		–	(0.6)	–	0.6	–
Dividends	8	–	–	–	(57.0)	(57.0)
Balance as at 31 December 2013		540.6	805.8	(11.5)	574.8	1,909.7

The above statements to be read in conjunction with the accompanying notes.

INTERIM BALANCE SHEET

As at 31 December 2014

Genesis Energy Group	Note	31 December 2014 Unaudited $ million	30 June 2014 Audited $ million
Current assets			
Cash and cash equivalents		**30.4**	23.3
Receivables and prepayments		**203.6**	216.4
Inventories		**78.2**	93.8
Intangible assets		**3.7**	3.9
Tax receivable		**0.6**	–
Derivatives	13	**35.8**	19.9
Total current assets		**352.3**	357.3
Non-current assets			
Property, plant and equipment	9	**2,728.1**	2,758.8
Oil and gas assets	10	**318.6**	342.1
Intangible assets		**127.9**	128.2
Inventories		**41.1**	34.1
Receivables and prepayments		**1.0**	0.9
Derivatives	13	**35.6**	8.0
Total non-current assets		**3,252.3**	3,272.1
Total assets		**3,604.6**	3,629.4
Current liabilities			
Payables and accruals		**165.1**	194.8
Tax payable		**-**	3.4
Borrowings	12	**19.2**	12.3
Provisions		**18.4**	13.6
Derivatives	13	**13.4**	22.5
Total current liabilities		**216.1**	246.6
Non-current liabilities			
Payables and accruals		**0.7**	0.7
Borrowings	12	**970.2**	977.1
Provisions		**119.9**	126.9
Deferred tax liability		**388.8**	384.2
Derivatives	13	**32.2**	13.2
Total non-current liabilities		**1,511.8**	1,502.1
Total liabilities		**1,727.9**	1,748.7
Shareholders' equity			
Share capital		**539.7**	539.7
Reserves		**1,337.0**	1,341.0
Total equity		**1,876.7**	1,880.7
Total equity and liabilities		**3,604.6**	3,629.4

The Directors of Genesis Energy Limited authorise these condensed interim financial statements for issue on behalf of the Board.

Rt Hon Dame Jenny Shipley DNZM
Chairman of the Board
23 February 2015

Joanna Perry MNZM
Chairman of the Audit and Risk Committee
23 February 2015

The above statements to be read in conjunction with the accompanying notes.

INTERIM CASH FLOW STATEMENT

For the six-month period ended 31 December 2014

Genesis Energy Group	Note	**6 months ended 31 December 2014 Unaudited $ million**	6 months ended 31 December 2013 Audited $ million
Cash flows from operating activities			
Cash was provided from:			
Receipts from customers		**1,075.6**	1,053.2
Interest received		**0.4**	0.4
		1,076.0	1,053.6
Cash was applied to:			
Payments to suppliers		**872.8**	834.1
Payments to employees		**42.8**	45.7
Tax paid		**24.2**	9.2
		939.8	889.0
Net cash inflows from operating activities		**136.2**	164.6
Cash flows from investing activities			
Cash was provided from:			
Proceeds from disposal of property, plant and equipment		**–**	0.2
		–	0.2
Cash was applied to:			
Purchase of property, plant and equipment		**20.4**	25.0
Purchase of oil and gas assets		**2.3**	0.3
Purchase of intangibles (excluding emission units)		**2.9**	7.5
		25.6	32.8
Net cash (outflows) from investing activities		**(25.6)**	(32.6)
Cash flows from financing activities			
Cash was provided from:			
Proceeds from borrowings		**42.8**	61.0
		42.8	61.0
Cash was applied to:			
Repayment of borrowings		**47.6**	75.0
Interest paid and other finance charges		**31.1**	33.4
Repayment of principal on finance lease liabilities		**1.6**	2.0
Dividends	8	**66.0**	57.0
		146.3	167.4
Net cash (outflows) from financing activities		**(103.5)**	(106.4)
Net increase in cash and cash equivalents		**7.1**	25.6
Cash and cash equivalents at 1 July		**23.3**	22.7
Cash and cash equivalents at 31 December		**30.4**	48.3

The above statements to be read in conjunction with the accompanying notes.

INTERIM CASH FLOW STATEMENT CONTINUED

For the six-month period ended 31 December 2014

Genesis Energy Group	Note	6 months ended 31 December 2014 Unaudited $ million	6 months ended 31 December 2013 Audited $ million
Reconciliation of net profit for the period to net cash inflows from operating activities			
Net profit for the period		**68.2**	19.7
Items classified as investing/financing activities			
Net (gain) loss on disposal of property, plant and equipment		**0.1**	(0.1)
Interest and other finance charges paid		**31.1**	31.7
Other items classified as investing/financing activities		**(1.9)**	(4.1)
		29.3	27.5
Non-cash items			
Depreciation, depletion and amortisation expense		**75.7**	81.2
Impairment of non-current assets	4	**3.3**	3.6
Change in fair value of financial instruments		**(34.6)**	2.6
Deferred tax expense		**7.0**	(1.6)
Change in capital expenditure accruals		**3.4**	(0.7)
Change in rehabilitation and contractual arrangement provisions		**1.7**	0.6
		56.5	85.7
Movements in working capital			
Change in receivables and prepayments (excluding finance lease receivable)		**12.7**	75.8
Change in inventories		**8.6**	(17.5)
Change in emission units on hand		**(3.2)**	(2.7)
Change in payables and accruals		**(29.7)**	(40.6)
Change in tax receivable/payable		**(4.0)**	1.4
Change in provisions		**(2.2)**	15.3
		(17.8)	31.7
Net cash inflows from operating activities		**136.2**	164.6

The above statements to be read in conjunction with the accompanying notes.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 31 DECEMBER 2014

1. GENERAL INFORMATION

Genesis Energy Limited (the 'Parent') is a company registered under the Companies Act 1993. The Parent is majority owned by Her Majesty the Queen in Right of New Zealand ('the Crown') and is listed on the NZSX, NZDX and ASX. The Parent, as a mixed ownership model company, is bound by the requirements of the Public Finance Act 1989. The liabilities of the Parent are not guaranteed in any way by the Crown. The Parent is an FMC Reporting Entity under the Financial Markets Conduct Act 2013 and the Financial Reporting Act 2013.

The condensed interim financial statements comprise Genesis Energy Limited (the 'Parent'), its subsidiaries and its interests in associates and joint operations (together the 'Group'). The condensed interim financial statements cover the six-month period ended 31 December 2014.

These interim financial statements have not been audited.

The Group is designated as a profit-oriented entity for financial reporting purposes.

The Group's core business is located in New Zealand and involves the generation of electricity, retailing and trading of energy, and the development and procurement of fuel sources. To support these functions, the Group's scope of business includes retailing and trading of related complementary products designed to support its key energy business.

Basis of preparation

The condensed interim financial statements have been prepared in accordance with and comply with New Zealand Equivalent International Accounting Standard 34 *Interim Financial Reporting* ('NZ IAS 34'). In complying with NZ IAS 34, these statements comply with International Accounting Standard 34 *Interim Financial Reporting*.

The condensed interim financial statements do not include all the information and disclosures required in the annual financial statements. Consequently these condensed interim financial statements should be read in conjunction with the annual financial statements and related notes included in Genesis Energy's Annual Report for the year ended 30 June 2014.

The condensed interim financial statements are presented in New Zealand dollars rounded to the nearest million.

Revised accounting policies

During the period, the Group commenced active trading of emission units, both on hand and via forward sale and purchase agreements. The emission units and derivative accounting policies have been extended to cover this new area of activity. Refer below for the revised accounting policies.

Emission units

Emission units are purchased (or granted by the Crown) to either meet the Group's emission obligation or are held for trading purposes. Emission units on hand and receivable are initially recognised at fair value. Fair value is cost in the case of purchased units or the initial market value in the case of government-granted units and units receivable from third parties. Emission units held to settle the Group's emission obligation are not revalued subsequent to initial recognition. They are assessed as having indefinite useful lives and are not amortised but are subject to annual impairment testing or whenever there are indicators of impairment.

Emission units held for trading purposes are subsequently remeasured to their fair value. Changes in the fair value are recognised immediately in profit or loss. Emission units held for trading are classified as inventory.

Emission units receivable from Group entities are recognised using the weighted average cost of emission obligations incurred by the Group on the date the receivable is recognised. The difference between cost and fair value of government-granted units is treated as revenue. Emission units receivable are accounted for in the period in which they are earned within receivables and prepayments and are transferred to intangibles when the emission units are received.

Derivatives

Forward sale and purchase agreements in relation to emission units held for trading do not meet the 'own use' exemption and therefore meet the definition of a derivative. These contracts are initially recognised at fair value on the date the contract is entered into and are subsequently remeasured to their fair value. Changes in the fair value are recognised immediately in profit or loss.

Application of new and revised accounting standards, interpretations and amendments

There have been no new or revised accounting standards, interpretations and amendments effective during the period which have a material impact on the Group's accounting policies or disclosures.

Other than the revised accounting policies noted above, there have been no changes in accounting policies or methods of computation since 30 June 2014. The accounting policies set out in Genesis Energy's Annual Report for the year ended 30 June 2014 have been applied consistently to all periods presented in these condensed interim financial statements.

Critical accounting estimates and judgements

The preparation of the Group's condensed interim financial statements requires management to make estimates and assumptions that affect the application of policies and the reported amounts of assets, liabilities, revenues and expenses. The estimates and underlying assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. Significant areas of estimation and judgement in these condensed interim financial statements are the same as those disclosed in Genesis Energy's annual financial statements included in Genesis Energy's Annual Report for the year ended 30 June 2014.

Seasonality of operations

Fluctuations in seasonal weather patterns can have a significant impact on supply and demand and therefore the generation of electricity which in turn can have a positive or negative impact on the reported result.

2. SEGMENT REPORTING

For management purposes, the Group is currently organised into four segments as follows:

Segment	Activity
Customer Experience	Supply of energy (electricity, gas and LPG) to end-user customers as well as related services.
Energy Management	Generation and trading of electricity and related products. The segment includes electricity sales to the wholesale electricity market, derivatives entered into to fix the price of electricity, and wholesale gas and coal sales.
Oil and Gas	Exploration, development, production and sale of gas, LPG and light oil.
Corporate	Head-office functions including new generation investigation and development, fuel management, information systems, human resources, finance, corporate relations, property management, legal and corporate governance. Corporate revenue is made up of property rental and miscellaneous income.

The segments are based on the different products and services offered by the Group. No operating segments have been aggregated.

Six months ended 31 December 2014	Customer experience Unaudited $ million	Energy management Unaudited $ million	Oil and gas Unaudited $ million	Corporate Unaudited $ million	Inter-segment items Unaudited $ million	Total Unaudited $ million
Operating revenue						
Electricity revenue	**609.4**	**512.6**	**–**	**–**	**(252.4)**	**869.6**
Gas revenue	**83.2**	**103.2**	**28.1**	**–**	**(58.7)**	**155.8**
Petroleum revenue	**–**	**–**	**34.3**	**–**	**–**	**34.3**
Other revenue	**4.6**	**2.9**	**0.1**	**0.5**	**–**	**8.1**
	697.2	**618.7**	**62.5**	**0.5**	**(311.1)**	**1,067.8**
Operating expenses						
Electricity purchases, transmission and distribution	**(509.9)**	**(233.9)**	**–**	**–**	**252.4**	**(491.4)**
Gas purchases and transmission	**(68.9)**	**(121.9)**	**–**	**–**	**31.9**	**(158.9)**
Petroleum production, marketing and distribution	**–**	**–**	**(13.4)**	**–**	**–**	**(13.4)**
Fuel consumed	**–**	**(115.8)**	**–**	**–**	**26.8**	**(89.0)**
Employee benefits	**(12.7)**	**(15.2)**	**–**	**(14.6)**	**–**	**(42.5)**
Other operating expenses	**(61.5)**	**(31.2)**	**(2.2)**	**(4.9)**	**–**	**(99.8)**
Earnings before net finance expense, income tax, depreciation, depletion, amortisation, impairment, fair value changes and other gains and losses	**44.2**	**100.7**	**46.9**	**(19.0)**	**–**	**172.8**
Depreciation, depletion and amortisation	**(1.5)**	**(42.7)**	**(25.8)**	**(5.7)**	**–**	**(75.7)**
Impairment of non-current assets	**–**	**(3.3)**	**–**	**–**	**–**	**(3.3)**
Change in fair value of financial instruments	**–**	**29.6**	**6.2**	**(1.2)**	**–**	**34.6**
Other gains (losses)	**–**	**0.5**	**0.4**	**–**	**–**	**0.9**
Profit (loss) before net finance expense and income tax	**42.7**	**84.8**	**27.7**	**(25.9)**	**–**	**129.3**
Finance revenue	**–**	**–**	**0.1**	**0.3**	**–**	**0.4**
Finance expense	**(0.2)**	**(1.7)**	**(1.5)**	**(30.9)**	**–**	**(34.3)**
Profit (loss) before income tax	**42.5**	**83.1**	**26.3**	**(56.5)**	**–**	**95.4**
Other segment information						
Capital expenditure	**1.7**	**14.6**	**2.2**	**2.8**	**–**	**21.3**

2. SEGMENT REPORTING (CONTINUED)

Six months ended 31 December 2013	Customer experience Audited $ million	Energy management Audited $ million	Oil and gas Audited $ million	Corporate Audited $ million	Inter-segment items Audited $ million	Total Audited $ million
Operating revenue						
Electricity revenue	593.7	461.9	–	–	(246.4)	809.2
Gas revenue	74.9	68.9	29.3	–	(55.4)	117.7
Petroleum revenue	–	–	42.6	–	–	42.6
Other revenue	2.3	0.8	–	0.5	–	3.6
	670.9	531.6	71.9	0.5	(301.8)	973.1
Operating expenses						
Electricity purchases, transmission and distribution	(491.3)	(177.9)	–	–	246.4	(422.8)
Gas purchases and transmission	(65.5)	(76.6)	–	–	28.2	(113.9)
Petroleum production, marketing and distribution	–	–	(14.5)	–	–	(14.5)
Fuel consumed	–	(122.5)	–	–	27.2	(95.3)
Employee benefits	(13.6)	(17.9)	–	(14.1)	–	(45.6)
Other operating expenses	(64.9)	(54.5)	(2.4)	(8.6)	–	(130.4)
Earnings before net finance expense, income tax, depreciation, depletion, amortisation, impairment, fair value changes and other gains and losses	35.6	82.2	55.0	(22.2)	–	150.6
Depreciation, depletion and amortisation	(1.6)	(43.5)	(30.1)	(6.0)	–	(81.2)
Impairment of non-current assets	–	(3.5)	–	(0.1)	–	(3.6)
Change in fair value of financial instruments	–	(1.2)	(1.1)	(0.3)	–	(2.6)
Other gains (losses)	–	–	(0.3)	–	–	(0.3)
Profit (loss) before net finance expense and income tax	34.0	34.0	23.5	(28.6)	–	62.9
Finance revenue	0.1	–	–	0.3	–	0.4
Finance expense	(0.1)	(1.6)	(1.4)	(31.5)	–	(34.6)
Profit (loss) before income tax	34.0	32.4	22.1	(59.8)	–	28.7
Other segment information						
Capital expenditure	1.5	21.2	0.3	10.7	–	33.7

3. OTHER OPERATING EXPENSES

Other operating expenses for the six months ended 31 December 2013 included $19.1 million in relation to the contract termination fee and onerous contracts expense from exiting the coal importation contract. The onerous contract provision was reduced by $2.7 million during the six months ended 31 December 2014.

4. IMPAIRMENT OF NON-CURRENT ASSETS

Impairment for the six months ended 31 December 2014 and 31 December 2013 consists of impairment of property, plant and equipment. The impairment relates to expenditure of a capital nature on the Rankine units and Unit 6 at Huntly and rehabilitation of the Huntly ash ponds associated with the units. Refer to note 2 for disclosure of impairment by segment. Expenditure associated with the Rankine units and Unit 6 is immediately impaired when incurred as the fair value of these units is nil.

5. CHANGE IN FAIR VALUE OF FINANCIAL INSTRUMENTS

	6 months ended 31 December 2014 Unaudited $ million	6 months ended 31 December 2013 Audited $ million
Change in fair value of derivatives – gain (loss)	**39.1**	(3.3)
Fair value interest rate risk adjustment on borrowings – gain (loss)	**(4.5)**	0.7
	34.6	(2.6)

The change in the fair value of derivatives for the six months ended 31 December 2014 mainly relates to movement in the fair value of electricity swaps and options ($30.5 million) and Cross-Currency Interest Rate Swaps ('CCIRS') ($4.3 million), which were entered into during the period to manage foreign exchange and interest rate risks on the US private placement notes ('USPP') (refer to note 12 for further information).

5. CHANGE IN FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUED)

The movement in the fair value of electricity swaps and options primarily reflects movements in the electricity price path between the date contracts were entered into and balance date.

The movement in the fair value of the CCIRS relates to movements in interest and foreign exchange rates between the date contracts were entered into and balance date. The movement in the fair value of the CCIRS was offset by the change in the fair value interest rate risk adjustment on the USPP ($4.3 million). The net impact on net profit of the CCIRS and USPP was $0.1 million.

6. FINANCE EXPENSE

	6 months ended 31 December 2014 Unaudited $ million	6 months ended 31 December 2013 Audited $ million
Interest on borrowings (excluding Capital Bonds)	**24.7**	25.0
Interest on Capital Bonds	**6.2**	6.5
Total interest on bonds, revolving credit and money market	**30.9**	31.5
Other interest and finance charges	**0.4**	0.4
Time value of money adjustments on provisions	**3.1**	2.9
	34.4	34.8
Capitalised finance expenses	**(0.1)**	(0.2)
	34.3	34.6

7. EARNINGS PER SHARE

During the six months ended 30 June 2014, the number of ordinary shares on issue increased due to a taxable bonus issue. The increase was partially offset by the acquisition of shares acquired to satisfy the long-term incentive plan. In accordance with NZ IAS 33, earnings per share for the prior period has been restated to take into consideration the changes in the number of ordinary shares.

8. DIVIDENDS

		6 months ended 31 December 2014 Unaudited $ million	6 months ended 31 December 2013 Audited $ million	**6 months ended 31 December 2014 Unaudited Cents per share**	6 months ended 31 December 2013 Audited Cents per share
Dividends declared and paid during the period					
Previous period final dividend	Fully imputed	**66.0**	57.0	**6.60**	10.50
		66.0	57.0	**6.60**	10.50
Dividends declared subsequent to reporting date					
Interim dividend	Fully imputed	**80.0**	64.0	**8.00**	11.83

Imputation credits

Imputation credits available for use in subsequent periods at reporting date was $2.5 million (31 December 2013: $283.9 million).

9. PROPERTY, PLANT AND EQUIPMENT

	6 months ended 31 December 2014 Unaudited $ million	Year ended 30 June 2014 Audited $ million
Opening balance	**2,758.8**	2,800.1
Additions	**16.4**	62.3
Capitalised finance expenses	**0.1**	0.6
Change in rehabilitation and contractual arrangement assets	**–**	2.9
Transfer to oil and gas assets	**–**	(8.3)
Disposals	**–**	(0.3)
Impairment	**(3.3)**	(10.1)
Depreciation expense	**(43.9)**	(88.4)
Closing balance	**2,728.1**	2,758.8

10. OIL AND GAS ASSETS

	6 months ended 31 December 2014 Unaudited $ million	Year ended 30 June 2014 Audited $ million
Opening balance	**342.1**	391.9
Additions	**2.3**	1.7
Transfer from property, plant and equipment	**–**	8.3
Disposals and reversals	**–**	(3.5)
Depreciation and depletion expense	**(25.8)**	(56.3)
Closing balance	**318.6**	342.1

11. MATERIAL RELATED PARTY TRANSACTIONS

The Group entered into a contract with Meridian Energy, a Crown-controlled entity, to provide dry year cover for four years from 1 January 2015. The 150MW contract follows on from the existing 200MW contract between Genesis Energy and Meridian Energy which expired in October 2014.

Other than the contract noted above, there were no individually significant transactions with shareholders and entities controlled and related to shareholders during the period (31 December 2013: nil).

Other transactions with Crown-controlled and related entities which are collectively but not individually significant relate to the purchase of coal, sale of gas and electricity derivatives. All of the coal acquired by the Group during the period was supplied by Crown-controlled and related entities under coal supply agreements which expire in June 2017 (31 December 2013: approximately 80 per cent). Approximately 17 per cent of the gas sales were made to Crown-controlled and related entities under gas sales agreements which expire in December 2015 (31 December 2013: approximately 9 per cent). Approximately 86 per cent of the value of electricity derivative assets and approximately 54 per cent of the value of electricity derivative liabilities held by the Group at the reporting date were held with Crown-controlled and related entities (31 December 2013: 64 per cent and 36 per cent respectively). The contracts expire at various times with the latest one being December 2025.

For a list and description of transactions with related parties refer to Genesis Energy's annual financial statements included in Genesis Energy's Annual Report for the year ended 30 June 2014.

12. BORROWINGS

	31 December 2014 Unaudited $ million	30 June 2014 Audited $ million
Revolving credit and money market	**310.3**	357.9
Wholesale term notes	**320.7**	320.5
Retail term notes	**106.9**	106.8
Capital Bonds	**202.6**	202.6
USPP	**48.9**	–
Finance lease liabilities	**–**	1.6
Total	**989.4**	989.4
Current	**19.2**	12.3
Non-current	**970.2**	977.1
Total	**989.4**	989.4

USPP

On 24 October 2014 the Group entered into a firm commitment for the issue of $150.0 million US dollar denominated unsecured notes to US-based institutional investors. A Note Purchase Agreement ('NPA') was signed on 25 November 2014. The NPA is structured as follows:

- US$100.0 million of 12-year notes with a fixed rate coupon of 3.69 per cent per annum. US$33.5 million were issued on 25 November 2014 and US$66.5 million were issued on 23 January 2015.
- US$50.0 million of 11-year notes with a fixed rate coupon of 3.64 per cent per annum were issued on 23 January 2015.

The proceeds from the USPP were used to reduce revolving credit facilities. CCIRS were entered into to manage foreign exchange and interest rate risks on the notes. The USPP is measured at amortised cost adjusted for the change in fair value associated with the hedged risks in accordance with the Group's accounting policy.

Revolving credit

As at 31 December 2014 the Group had drawn down $300.0 million (30 June 2014: $350.0 million) and had available undrawn funding of $275.0 million (30 June 2014: $275.0 million).

13. DERIVATIVES

Net carrying value of derivatives	31 December 2014 Unaudited $ million	30 June 2014 Audited $ million
Cash flow hedges designated at fair value		
Foreign exchange swaps	**(3.1)**	3.3
Interest rate swaps and options	**(13.1)**	(3.3)
Electricity swaps	**(4.2)**	(5.5)
Oil swaps	**14.8**	(4.4)
CCIRS	**(3.8)**	–
Fair value hedges designated at fair value		
Interest rate swaps and options	**1.5**	1.4
CCIRS	**3.9**	–
Derivatives not designated as hedges		
Foreign exchange options	**–**	1.4
Electricity swaps and options	**29.4**	(0.7)
Forward sale and purchase agreements of emission units held for trading	**0.4**	–
Total	**25.8**	(7.8)
Carrying value of derivatives by balance sheet classification		
Current assets	**35.8**	19.9
Non-current assets	**35.6**	8.0
Current liabilities	**(13.4)**	(22.5)
Non-current liabilities	**(32.2)**	(13.2)
Total	**25.8**	(7.8)

During the period, the Group entered into CCIRS to swap the US$ principal and fixed coupon obligations for the USPP disclosed in note 12 to NZ$ floating rate exposure.

The methods of valuing derivatives is outlined in note 14.

Change in carrying value of derivatives

	6 months ended 31 December 2014 Unaudited $ million	Year ended 30 June 2014 Audited $ million
Opening balance	**(7.8)**	(14.7)
Total change recognised in electricity and petroleum revenue	**12.9**	32.6
– Net change in derivatives not designated as hedges	**26.5**	4.0
– Net change in fair value hedges	**4.0**	(1.0)
– Ineffective gain (loss) on cash flow hedges	**8.6**	(3.5)
Total change recognised in the change in fair value of financial instruments	**39.1**	(0.5)
Gain (loss) recognised in other comprehensive income	**2.0**	13.2
Settlements	**(10.0)**	(7.5)
Sales (option fees)	**(10.6)**	(32.1)
Purchases (option fees)	**0.2**	1.2
Closing balance	**25.8**	(7.8)

14. FAIR VALUE

Fair value hierarchy

The Group's assets and liabilities measured at fair value are categorised into one of three levels. The levels are outlined in Genesis Energy's annual financial statements included in Genesis Energy's Annual Report for the year ended 30 June 2014.

The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as of the date of the event or change in circumstances that caused the transfer. There were no transfers between levels one, two and three during the period (2013: nil).

Level two items carried at fair value

Recurring fair value measurements	**31 December 2014 Unaudited $ million**	30 June 2014 Audited $ million
Level two		
Derivatives		
Interest rate swaps and options	**(11.6)**	(1.9)
Foreign exchange swaps and options	**(3.1)**	4.7
Oil swaps	**14.8**	(4.4)
Electricity swaps (cash flow hedges)	**(0.1)**	–
Electricity swaps (not designated as hedges)	**(0.5)**	0.5
CCIRS	**0.1**	–
Forward sale and purchase agreements of emission units held for trading	**0.4**	–
	–	(1.1)
Inventory		
Emission units held for trading	**0.4**	–

Valuation of level two items carried at fair value

The fair value of level two items carried at fair value are determined using discounted cash flow models. The key inputs in the valuation models were:

Level two items carried at fair value	Valuation inputs
Interest rate swaps and options	Forward interest rate price curve
Foreign exchange swaps and options	Forward foreign exchange rate curves
Oil swaps	Forward oil price and foreign exchange rate curves
Electricity swaps (not designated as hedges)	ASX forward price curve
CCIRS	Forward interest rate price curve and foreign exchange rate curves
Forward sale and purchase agreements for emission units held for trading	OM Financial forward curve
Emission units held for trading	OM Financial forward curve

Level three items carried at fair value

Recurring fair value measurements	**31 December 2014 Unaudited $ million**	30 June 2014 Audited $ million
Level three		
Derivatives		
Electricity swaps (cash flow hedges)	**(4.1)**	(5.5)
Electricity swaps and options (not designated as hedges)	**29.9**	(1.2)
	25.8	(6.7)
Property, plant and equipment		
Generation assets	**2,662.2**	2,689.9

14. FAIR VALUE (CONTINUED)

Valuation of level three items carried at fair value

Valuation processes of the Group

The process used to value level three generation assets and derivatives has been disclosed in Genesis Energy's annual financial statements included in Genesis Energy's Annual Report for the year ended 30 June 2014. The process used as at 31 December 2014 is consistent with that used at 30 June 2014.

Valuation method of the Group

The valuation method used to value level three generation assets and derivatives has been disclosed in Genesis Energy's annual financial statements included in Genesis Energy's Annual Report for the year ended 30 June 2014. The valuation method used as at 31 December 2014 is consistent with that used at 30 June 2014.

The key unobservable inputs, range of assumptions and third-party inputs combine to determine the wholesale electricity price path. The wholesale electricity price paths used to value level three on a time-weighted basis range from $69 per MWh to $118 per MWh over the period from January 2015 to 31 December 2025 (30 June 2014: $70 per MWh to $113 per MWh over the period from July 2014 to 31 December 2025).

Valuation of electricity swaps and options

If the price path increased by 10 per cent while holding the discount rate consistent, this would result in the carrying value of the electricity derivatives increasing to $3.3 million liability (30 June 2014: $13.7 million liability). If the price path decreased by 10 per cent while holding the discount rate constant, the carrying value of electricity swaps and options would decrease to $45.0 million asset (30 June 2014: $1.1 million liability).

The valuation of electricity options is based on a discounted cash flow model over the life of the agreement. The key inputs in the model were: the callable volumes, strike price and option fees outlined in the agreement, the forecast internally generated electricity price path, 'day one' gains and losses, emission credits and the discount rate. The options were deemed to be called when the internally generated price path was higher than the strike price after taking into account obligations relating to the specific terms of each contract. The discount rate used in the model ranged from 2.3 per cent to 10.1 per cent (30 June 2014: 3.4 per cent to 5.5 per cent) and the emission credit price used ranged between $5.00 and $25.00 (30 June 2014: $6.00 and $26.00).

Reconciliation of level three derivatives	6 months ended 31 December 2014 Unaudited $ million	Year ended 30 June 2014 Audited $ million
Opening balance	**(6.7)**	(9.1)
Total gain (loss)		
– Electricity revenue	**12.9**	32.7
– Change in fair value of financial instruments	**30.4**	(0.5)
Total gain (loss) in profit or loss	**43.3**	32.2
Total gain (loss) recognised in cash flow hedge reserve	**2.5**	9.2
Settlements (gain) loss	**(2.7)**	(6.9)
Sales	**(10.6)**	(32.1)
Closing balance	**25.8**	(6.7)

Change in fair value of financial instruments for the period included an unrealised gain of $30.4 million (30 June 2014: $0.8 million loss) relating to level three derivatives that are measured at fair value at the end of each reporting period.

Deferred 'day one' gains (losses)

Where the Group estimates fair values of derivatives using forecasted internally generated future price paths, as is the case with electricity derivatives, the instrument is fair-valued at inception and the difference arising between the estimated fair value and its cost (nil) is a deferred day one gain (loss). For electricity options, the valuation adjustment is effectively amortised based on expected call volumes over the term of the contract. The carrying value of derivatives is disclosed net of the day one adjustments.

The following table details the movements and amounts of deferred 'day one' gains (losses) included in the fair value of electricity derivatives held at balance date:

	6 months ended 31 December 2014 Unaudited $ million	Year ended 30 June 2014 Audited $ million
Opening balance	**12.9**	26.0
Deferred day one gains (losses) on new derivatives	**12.1**	0.1
Deferred day one gains (losses) realised during the period	**(7.2)**	(13.2)
Closing balance	**17.8**	12.9

14. FAIR VALUE (CONTINUED)

Items disclosed at fair value

	Carrying value		Fair value	
	31 December 2014 Unaudited $ million	30 June 2014 Audited $ million	**31 December 2014 Unaudited $ million**	30 June 2014 Audited $ million
Level one				
Retail term notes	**(106.9)**	(106.8)	**(111.3)**	(111.8)
Capital Bonds	**(202.6)**	(202.6)	**(205.5)**	(198.2)
Level two				
Wholesale term notes	**(320.7)**	(320.5)	**(336.9)**	(327.5)
USPP	**(48.9)**	–	**(46.3)**	–

The carrying value of all other financial assets and liabilities in the balance sheet approximate their fair values.

Valuation of wholesale term notes

The valuation of wholesale term notes is based on estimated discounted cash flow analyses using applicable market yield curves adjusted for the Group's credit rating. Market yield curves at balance date used in the valuation ranged from 4.0 per cent to 5.5 per cent (30 June 2014: 4.3 per cent to 6.5 per cent).

Valuation of USPP

The valuation of USPP is based on estimated discounted cash flow analyses using applicable US market yield curves adjusted for the Group's credit rating. The credit adjusted market yield curve at balance date used in the valuation was 3.4 per cent.

15. COMMITMENTS

	31 December 2014 Unaudited $ million	30 June 2014 Audited $ million
Total capital commitments	**9.3**	12.4
Total operating lessee commitments	**42.9**	54.2
	52.2	66.6

16. CONTINGENT ASSETS AND LIABILITIES

The Group's contingent assets and liabilities were disclosed in Genesis Energy's Annual Report for the year ended 30 June 2014. There has been no change in the nature or status of these contingent assets and liabilities. On 5 February 2015, the Inland Revenue Department released a copy of a draft provisional Depreciation Determination for Hydroelectric Power Houses, including proposed depreciation rates. The Determination is subject to public consultation and, as a result, is not yet finalised. If the draft provisional Depreciation Determination is approved in its current form, the estimated impact on the Income Statement is to decrease income tax expense by between $3 million and $4 million as at 31 December 2014. There are no other known material contingent assets or liabilities (30 June 2014: nil).

17. EVENTS OCCURRING AFTER BALANCE DATE

Subsequent to balance date the following events occurred:

- The Group declared a fully imputed interim dividend of $80.0 million (8.0 cents per share);
- On 23 January 2015 US$116.5 million of USPP notes was issued and $150.0 million of the revolving credit facility was repaid and cancelled. The revolving credit facility at 31 December 2014 was $575.0 million and has subsequently reduced to $425.0 million. Refer to note 12 for further details.

There have been no other significant events subsequent to the reporting date.

YOUR PEOPLE **OUR PEOPLE**

BOARD OF DIRECTORS

Chairman
Rt Hon Dame Jenny Shipley, DNZM

Directors
Joanna Perry MNZM (Deputy Chairman)
Mark Cross
John Dell
John Leuchars
Doug McKay
Graeme Milne, ONZM
Rukumoana Schaafhausen

EXECUTIVE TEAM

Chief Executive
Albert Brantley

General Counsel and Company Secretary
Maureen Shaddick

Chief Financial Officer
Andrew Donaldson

GM Retail
David Goadby

GM Generation
Tracey Hickman

GM Strategy and Corporate Affairs
Dean Schmidt

GM Corporate Services
Andrew Steele

GM Trading and Portfolio Management
Chris Jewell

REGISTERED OFFICE IN NEW ZEALAND

The Genesis Energy Building
660 Great South Road
Greenlane
Auckland 1051
New Zealand

Telephone: +64 9 580 2094
Facsimile: +64 9 580 4894
Website: www.genesisenergy.co.nz

REGISTERED OFFICE IN AUSTRALIA

TMF Corporate Services Aust Pty Ltd
Level 16, 201 Elizabeth Street
Sydney, NSW 2000
Australia

SHARE REGISTRAR – NEW ZEALAND

Computershare Investor Services Limited
Level 2, 159 Hurstmere Road
Takapuna, Auckland 0622

Private Bag 92119
Auckland 1142

Telephone: +64 9 488 8777
Facsimile: +64 9 488 8787
Email: enquiry@computershare.co.nz
Website: www.computershare.com/nz/

SHARE REGISTRAR – AUSTRALIA

Computershare Investor Services PTY Limited
Yarra Falls, 452 Johnston Street
Abbotsford, VIC 3067
Australia

Telephone: 1 800 501 366
Facsimile: +61 3 9473 2500
Email: enquiry@computershare.co.nz
Website: www.investorcentre.com/nz

AUDITOR

The Auditor-General pursuant to section 14 of the Public Audit Act 2001. Andrew Dick of Deloitte was appointed to perform the audit on behalf of the Auditor-General.

LEGAL ADVISERS

Russell McVeagh

BANKERS

Westpac (New Zealand)
Westpac (Singapore)
ANZ Bank (Singapore)

CREDIT RATING

Long-term BBB+
Outlook – Stable

HEAD OFFICE

The Genesis Energy Building
660 Great South Road
Greenlane
Auckland 1051
New Zealand

For further information, email:
feedback@genesisenergy.co.nz

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Management Discussion of the Financial Results for the Six Months Ended 31 December 2014

Summary financial results

Six months ended	31 Dec 2014 $million	31 Dec 2013 $million	Change $million	Change (%)
Revenue	**1,067.8**	**973.1**	94.7	10%
Total operating expenses[1]	895.0	822.5	72.5	9%
EBITDAF[2]	**172.8**	**150.6**	22.2	15%
Depreciation depletion & amortisation	75.7	81.2	-5.5	-7%
Impairment	3.3	3.6	-0.3	-9%
Fair value change (gains)/losses	-34.6	2.6	-37.2	-1412%
Other (gains)/losses	-0.9	0.3	-1.2	-463%
Earnings before interest and tax	**129.3**	**62.9**	66.4	106%
Net finance expense	33.9	34.2	-0.3	-1%
Tax	27.2	9.0	18.2	203%
Net profit after tax	**68.2**	**19.7**	48.5	246%
Earnings per share (cents per share)	**6.8**	**2.0**	4.9	246%
Stay in business capital expenditure[3]	20.2	24.3	-4.1	-17%
Free cash flow[4] (FCF)	**91.3**	**83.1**	8.2	10%
Dividends declared	80.0	64.0	16.0	25%
Dividends per share (cents per share)	**8.0**	**6.4**	1.6	25%
Dividends declared as a % of FCF	87%	77%	10%	14%
Net debt[5]	959.0	966.1	-7.1	-1%

Despite challenging market conditions, Genesis Energy's diverse asset portfolio delivered consistent earnings in the six months ended 31 December 2014 (H1 2015). Genesis Energy experienced growth in retail electricity and gas revenues in H1 2015, plus higher generation revenues, which was only partially offset by higher electricity and gas purchase costs. The six month period was also characterised by increased competition in the retail electricity and gas markets, and year on year increases in thermal generation, while Kupe production volumes were lower than a year ago.

Key metrics of EBITDAF, NPAT, capital expenditure, Free Cash Flow, dividends and net debt have all shown improvement in H1 2015 versus H1 2014. This is despite challenging retail

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[1] Includes cost of electricity purchases

[2] Earnings before net finance expense, tax, depreciation, depletion, amortisation, impairment, fair value changes and other gains and losses

[3] Stay in business capital expenditure relates to ongoing asset management and life-cycle maintenance and re-investment programme expenditure

[4] Free Cash Flow (FCF) is defined as EBITDAF less finance expense less income tax expense less stay in business capital expenditure

5 Net debt comparison is with Balance Date of 30 June 2014

electricity and gas market environments, mixed hydrological conditions, lower export crude oil prices and a number of outages across the generation and oil and gas portfolio.

Notable operational milestones during the period included signing a four year swaption agreement with Meridian Energy, agreeing an integrated services contract with Transfield Worley Power Services to consolidate a large number of maintenance service contracts into one lead contract, and launching a US Private Placement ("**USPP**") of US$150 million unsecured loan notes to a range of US investors at competitive coupon rates.

Revenue

Revenue in H1 2015 increased 10% to $1,067.8 million from $973.1 million in H1 2014 as a result of higher generation revenues (both wholesale electricity prices and generation volumes were up on pcp) and mass market price increases. These factors plus increased retail gas revenues offset the impact of reduced mass market electricity and gas customer numbers and reduced petroleum revenues.

EBITDAF

EBITDAF of $172.8 million in H1 2015 was 15% higher than in H1 2014, and represents approximately 48% of the forecast PFI EBITDAF of $363.4 million for FY2015. The increase in EBITDAF in H1 2015 reflects higher retail electricity and generation revenues along with increased gas volumes and prices more than offsetting increased electricity and gas purchase costs, and lower production from the Kupe oil and gas field. Unlike H1 2014, there were no significant one-off items impacting EBITDAF in H1 2015.

Net Profit after Tax (NPAT)

Genesis Energy generated NPAT for the six months ended 31 December 2014 of $68.2 million, significantly higher than the $19.7 million reported in H1 2014, and also higher than the NPAT reported for the whole of FY2014. The significant increase from the previous comparable period (pcp) was due to the better EBITDAF outcome, lower depreciation, depletion and amortisation expense, and a large positive swing in the fair value of financial instruments.

Depreciation, depletion and amortisation ("DDA")

DDA charges reduced from $81.2 million to $75.7 million, mainly due to a decrease in the depletion expense of Kupe as a result of lower production.

Fair value change

In H1 2015, fair value changes increased reported pre-tax profit by $34.6 million, compared to a $2.6 million decrease last year. The majority of the fair value changes were due to changes in electricity option and swaption valuations and differences in wholesale electricity prices versus the same period last year.

Borrowing costs

Borrowing costs for the six month period of $33.9 million were similar to the $34.2 million reported in H1 2014, given that net debt amounts were also similar (see details below).

EBITDAF Conversion and Dividends

A feature of the H1 2015 result is the conversion of EBITDAF to Free Cash Flow (FCF). At $91.3 million, FCF in H1 2015 was 10% higher than in H1 2014 and represented a 53% conversion of EBITDAF. The increase in FCF reflected the higher EBITDAF and lower stay in business capital expenditure which more than offset the higher income tax.

Genesis Energy has declared an interim dividend of 8.0cps for the first half of the 2015 financial year, in line with the PFI, but ahead of the 6.4cps interim dividend declared in 2014. This equates to a payout of 87% of FCF, compares to 77% of FCF in H1 2014 and is influenced by the payment of tax in FY2015 being weighted to the first half of the year. The interim dividend will be paid on 16 April 2015 with a record date of 2 April 2015.

Cashflow and capital expenditure

Cashflow: six months to 31 December ($m)	2014	2013	Change	%
Net operating cashflow	136.2	164.6	-28.4	-17%
Net investing cashflow	(25.6)	(32.6)	7.0	-21%
Net financing cashflow	(103.5)	(106.4)	2.9	-3%
Net increase in cash and cash equivalents	**7.1**	**25.6**	**-18.5**	**-72%**

Operating cashflow of $136.2 million was 17% lower than in H1 2014, predominantly due to movements in working capital. Net investing cash outflows of $25.6 million in H1 2015 were lower than in H1 2014 due to a reduction in stay in business capital expenditure. Net financing cash outflows were similar to the pcp, even though dividends paid increased by $9 million to $66 million. This was a result of less debt being repaid and interest costs being lower.

Liquidity and balance sheet:

Balance Sheet: As at ($m)	31 December 2014	30 June 2014	Change	%
Cash and cash equivalents	30.4	23.3	7.1	30%
Other current assets	321.9	334.0	-12.1	-4%
Non-current assets	3,252.3	3,272.1	-19.8	-1%
Total assets	**3,604.6**	**3,629.4**	-24.8	-1%
Total borrowings	989.4	989.4	0.0	0%
Other liabilities	738.5	759.3	-20.8	-3%
Total equity	**1,876.7**	**1,880.7**	-4.0	0%
Net debt	**959.0**	**966.1**	-7.1	-1%
Gearing	33.8%	33.9%	0	0%
EBITDAF interest cover	6.8	5.3	1.5	27%
Net debt: EBITDAF[6]	2.8	3.1	-0.4	-12%
NTA per share ($ per share)	$1.75	$1.75	0	0%

[6] Net debt: EBITDAF ratio is calculated by annualising the current period's EBITDAF

Total net debt[7] decreased by 1% to $959.0 million at 31 December 2014 compared to 30 June 2014, as lower operating cashflows were offset by reduced capital expenditure and lower financing cash outflows. Gross borrowings of $989.4 million were flat in the last six months so the movement in net debt is reflected simply in the change in cash and cash equivalents. Genesis Energy's gearing ratio (net debt to net debt plus equity) still sits at 33.8%, in line with the 33.9% reported at 30 June 2014.

On 25 November 2014 Genesis Energy announced that it had entered into an agreement to issue US$150 million of unsecured loan notes in the United States Private Placement ("**USPP**") market. The agreement was structured into three tranches: US$33.5 million issued on 25 November 2014 at 3.69% fixed rate coupon, US$50 million issued on 23 January 2015 with a fixed rate coupon of 3.64% and US$66.5 million also issued on 23 January 2015 with a coupon of 3.69%. The proceeds from the USPP were used to reduce shorter term revolving credit facilities.

Interest[8] is covered by adjusted EBITDAF 6.8x (versus 5.3x in the previous period) and Net Debt to EBITDAF on an annualised basis was 2.8x at 31 December 2014 versus 3.2x on 30 June 2014. Genesis Energy's Net Tangible Assets (NTA) was $1,748.8 million, or $1.75 per share, in line with the $1.75 reported at 30 June 2014.

At balance date (31 December 2014) Genesis Energy had available funding of $1,238 million with an average term of 7.7 years, and of the available facilities, $275 million was undrawn. On completion of the USPP Genesis Energy expects the average term of its debt funding will extend to 8.8 years.

One-off or infrequently occurring costs

There were no one-off costs that arose in the general operation of Genesis Energy's business activities during H1 2015. This is in contrast with H1 2014 when there were two significant items: a $19.1 million cost of terminating a contract for the supply of offshore coal, plus the related onerous contracts provision, and $2.4 million of costs associated with the April 2014 initial public offering of Genesis Energy shares.

In summary, this implies that the 1H 2014 EBITDAF result of $150.6 million was reduced by a total of $21.5 million in one off costs.

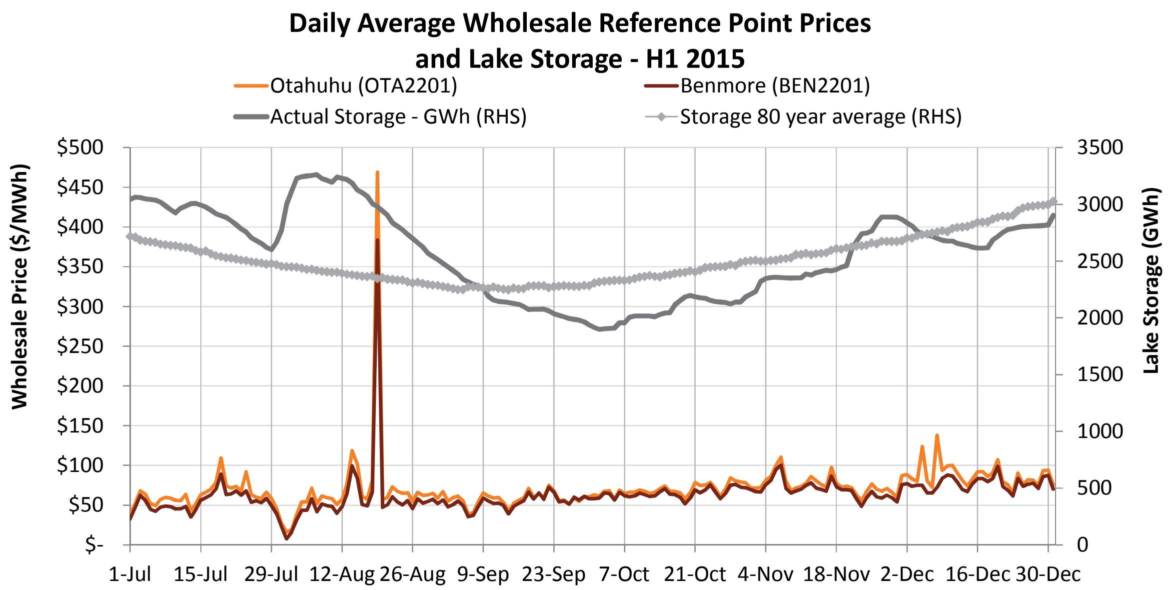
6 months to 31 December ($m)	2014	2013	Change	%
EBITDAF	**172.8**	**150.6**	22.2	15%
Offer costs	0.0	2.4	-2.4	-100%
Coal supply contract termination fee and related onerous contracts	0.0	19.1	-19.1	-100%
Total impact on EBITDAF	**0.0**	**21.5**	-21.5	-100%

[7] Net debt is calculated as short term borrowings plus long term borrowings less cash on hand

[8] Interest expense is the cost of borrowings from the income statement (excluding Capital Bonds) less time value of money adjustments on provisions (see note 6 from the financial statements)

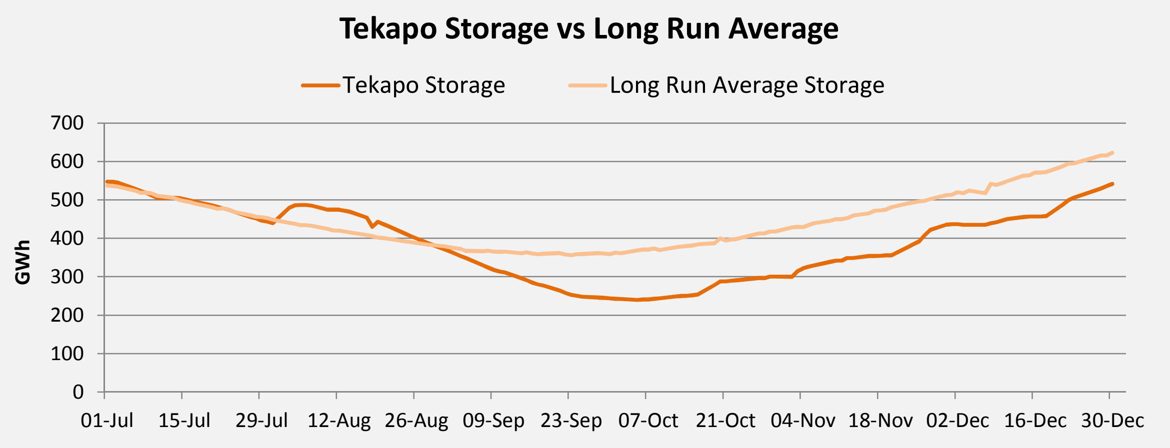
Market conditions

The first half of FY2015 was characterised by two distinct periods of hydrological conditions which affected national wholesale electricity prices. In the period from 1 July to late August 2014 there was above average rainfall, and lake storage levels were consistently in excess of the long run average. Except for one notable observation, this led to wholesale prices sitting around the $50/MWh to $60/MWh level for a number of weeks. From early September onwards lake storage levels were in line or slightly below the long run average. With the added impact of generation plant outages in the latter part of the six month period, the average wholesale price steadily increased to approximately $70/MWh in Q2 2015.



Source: COMIT/Genesis Energy

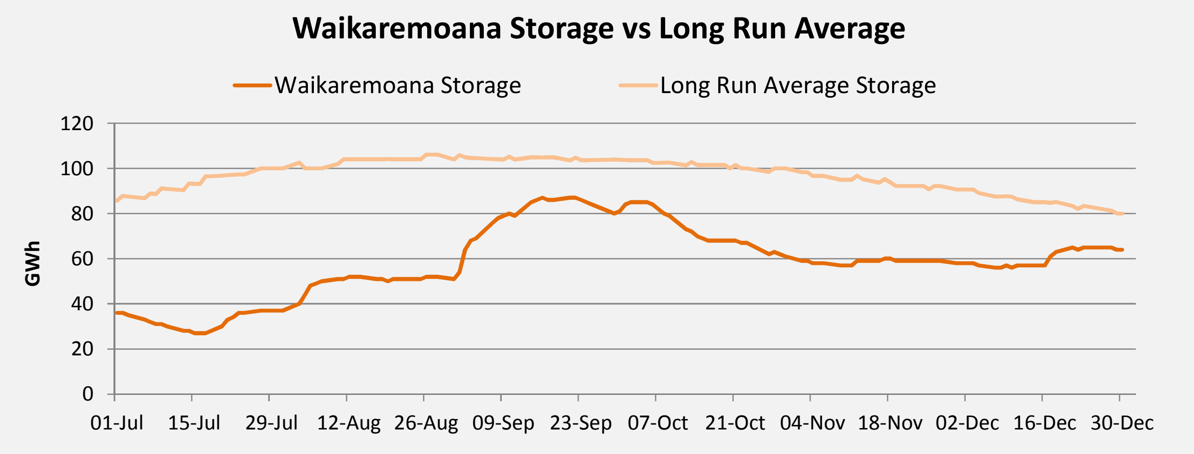
Genesis Energy's two most significant storage lakes are Lake Tekapo and Lake Waikaremoana. During H1 2015 Lake Tekapo's storage levels followed a similar trend to the long run average level, although lake levels declined in September 2014 as a result of lower inflows and a conscious decision to take advantage of increased wholesale electricity prices.



Source: COMIT

In contrast, lake levels at Waikaremoana were significantly below the long run average at the start of H1 2015 and continued that way for most of the six month period. On 1 July 2014 Lake Waikaremoana was at 42% of its long run average level and 25% of its maximum.

Rain through late August and September 2014 increased storage levels back to 84% of the long run average before generation increased later in the period to take advantage of higher wholesale prices.



Source: COMIT

Hydro inflows and storage levels during the six month period ending 31 December 2014, combined with improved demand later in the period, led to wholesale electricity prices that were higher than the year before. The average Huntly reference price for H1 2015 was \$70.31/MWh, which was 32% higher than the same six month period a year ago. The average price in Q2 2015 of \$76.79 was 70% higher than the price in Q2 2014, highlighting the significantly drier quarter compared to a year ago, improved demand, and more capacity outages.

Customer Experience

Customer Experience: 6 months to 31 December	2014	2013	Change	%
Electricity Customers	517,492	534,597	-17,105	-3%
Gas Customers	108,217	115,613	-7,396	-6%
Total Customers ex LPG[9]	**625,709**	**650,210**	-24,501	-4%
LPG Customers	13,081	10,739	2,342	22%
Total Customer Accounts	**638,790**	**660,949**	-22,159	-3%
Total Advanced Meters Installed	370,734	354,814	15,920	4%
Average Customer Switching Rate[10]	20.3%	18.4%	1.9%	10%
Retail Electricity Sales (GWh)	2,825	2,851	-25	-1%
Retail Electricity Purchases (GWh)	3,003	3,018	-16	-1%
Retail Gas Sales (PJ)	4.0	3.1	0.9	29%
Retail Gas Purchases (PJ)	3.9	3.0	0.9	30%
Retail LPG Sales (tonnes)	1,944	1,608	335	21%
Average Retail Electricity Purchase Price ($/MWh)[11]	72.45	53.98	18.48	34%
LWAP/GWAP ratio[12]	101%	99%		
Customer Experience EBITDAF ($m)	**44.2**	**35.6**	8.6	24%

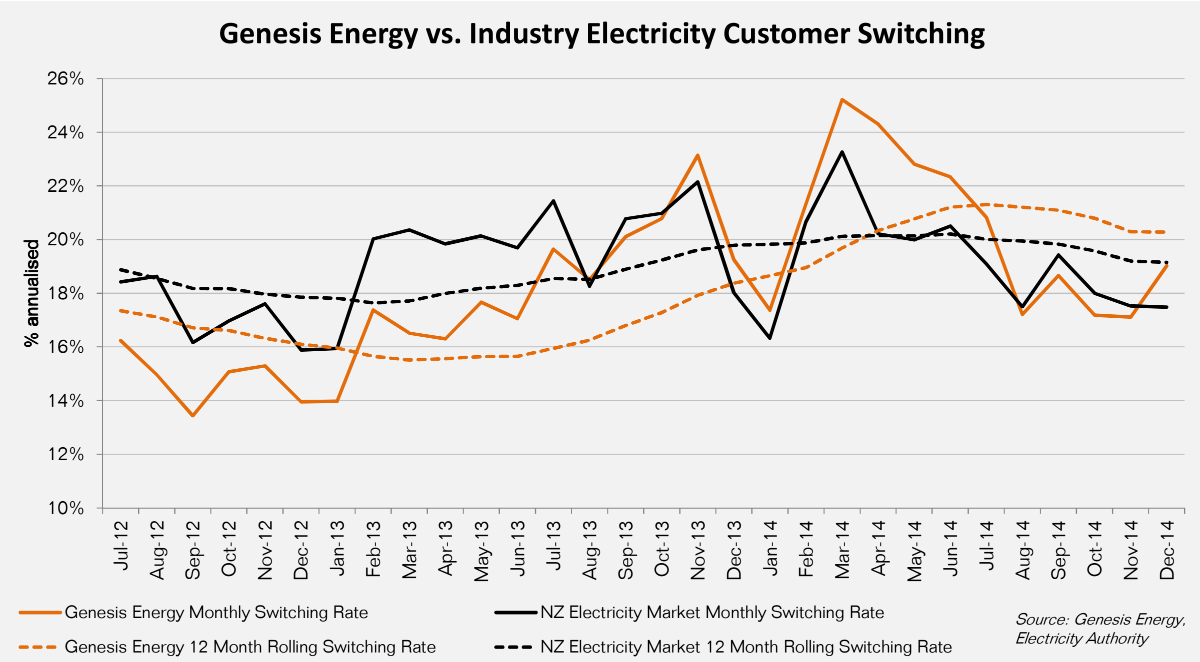
The retail electricity market continued to be a challenging environment to operate in over the six months ending 31 December 2014. Total electricity customers declined in the last six months by 1% to 517,429, and are now 3% lower than a year ago. This reflects increased competition from smaller niche retailers and discounted bundled offerings from established competitors.

Losses have been more pronounced in regions of the North Island where traditionally Genesis Energy has enjoyed a greater market share, while in the South Island total electricity customers have decreased 1% in the last year to 81,519. The majority of the reductions in electricity customers occurred in Q1 2015 as gains were reported in October and November 2014. Management believes that initiatives put in place in late 2014 will stabilise the customer numbers, following a significant period of declines.

The recent declines in customer connections are reflected in the increase in the average customer switching rate from 18.4% on an annualised basis in H1 2014 to 20.3% in H1 2015. The chart below indicates that the Company's average switching rate was lower than the broader market in September, October and November 2014, but increased in December 2014. The strategy to reverse customer losses had led to a reduced annualised switching rate from its peak in July 2014, but there is still significant work to be done to return the switching rate to levels that are consistently below its competitors and the broader market as a whole, given that

[9] Based on Genesis Energy customer records, excluding vacant accounts and defined by number of connections.
[10] Based on the number of ICPs (or points of connection).
[11] Excludes settlements from electricity derivatives.
[12] The ratio of average retail electricity purchase price to average price received for generation

at present the annualised rate is 1.1% percentage points higher than the average for the market.



Total retail electricity sales volumes of 2,825 GWh were 1% lower in H1 2015 compared to H1 2014. This reflects a 31% increase in Time of Use (TOU) sales volumes being offset by a 5% decline in mass market sales volumes as a result of the lower customer connections. Genesis Energy continues to focus on TOU sales as a means of cross-selling electricity and gas to customers, with TOU volumes now representing 16% of all electricity sold versus 12% a year ago.

Genesis Energy's 108,207 gas customers are 7,396, or 6% lower than a year ago, while total gas volumes sold were up 5% to 2.5PJ in H1 2015 due to the higher usage per customer. TOU customers and their usage continued to increase, leading to a 104% rise in TOU gas volumes sold at 1.5PJ. Genesis Energy has recently secured a number of multiple sites and All of Government contracts which has rapidly increased TOU volumes, albeit from a relatively modest base.

The LPG market also continues to be an area of growth for Genesis Energy with total customers increasing 22% in the last year to 13,081 customers by the end of December 2014. The Company has been able to leverage its supply of LPG from the Kupe oil and gas field and provide an attractive offering to new customers so that total LPG volumes sold in H1 2015 increased 21% compared to the previous comparable period.

Despite the reduction in electricity and gas customers the Customer Experience segment EBITDAF increased 24% to $44.2m in H1 2015 compared to the same period last year. This primarily reflected the impact of the April 2014 residential and SME electricity price increases , increases in gas customer pricing, increases in the electricity and gas TOU volumes and reductions in the average cost to serve customers.

Energy Management

Generation: 6 months to 31 December	2014	2013	Change	%
Gas (GWh)	1,277	1,471	-194	-13%
Coal (GWh)	641	405	237	58%
Total Thermal (GWh)	**1,918**	**1,875**	42	2%
Hydro (GWh)	1,351	1,456	-105	-7%
Wind (GWh)	11	12	-1	-7%
Total Renewable (GWh)	**1,363**	**1,468**	-106	-7%
Total Generation (GWh)	**3,280**	**3,344**	-63	-2%
Average Price Received for Generation ($/MWh)[13]	71.75	54.55	17.20	32%
Generation Revenue ($m)	**235.4**	**182.4**	53.0	29%
Energy Management EBITDAF ($m)	**100.7**	**82.2**	18.5	22%

Total generation in H1 2015 reduced 2% to 3,280 GWh compared to H1 2014, due mainly to lower hydro generation as water was conserved in the latter part of the half year. Inflows were particularly low in the Company's North Island catchments.

Thermal generation of 1,918 GWh was 2% higher than the pcp due to the running of thermal stations over renewables when prices were higher in Q2 2015, and due to stronger wholesale electricity prices than in the comparable period a year ago. Gas fired generation was down 13% versus 1H 2014 and coal fired generation was up 58% to 641 GWh. This reflected a planned major outage of Huntly Unit 5 in November to December 2014, which was covered by production from the Huntly Rankine units, utilising coal as a fuel.

Less gas was used to fuel the Rankine units as output from Kupe was lower (see below for details) but higher wholesale gas sales meant the Company's gas book wasn't as long as in previous periods.

In line with the broader market conditions, the average price received for generation was up 32% to $71.75/MWh in H1 2015, which, coupled with only modestly reduced generation volumes, meant that total generation revenue of $235m was up 29% on the pcp.

Energy Management segment EBITDAF increased 22% to $100.7m versus $82.2m a year ago due to the increased generation revenue, offset by the increased fuel cost (given the heavier use of thermal generation) and the cost of terminating the international coal supply contract taken in the previous year.

[13] Excludes settlements from electricity derivatives

Fuel management: 6 months to 31 December	2014	2013	Change	%
Wholesale gas sales (PJ)	10.7	5.7	5.0	87%
Gas purchases (PJ)	24.2	20.5	3.6	18%
Gas used in internal generation. (PJ)	9.6	11.8	-2.2	-19%
Wholesale coal sales	0.2	0.0	0.2	N/A
Coal purchases (PJ)	5.4	7.1	-1.6	-23%
Coal used in internal generation (PJ)	7.2	4.5	2.7	59%
Coal stockpile (kilotonnes)	871	994	-123	-12%

During 1H 2015 the Company used 7.2 PJ of coal and 9.6 PJ of gas for electricity generation. Given that total wholesale gas purchases were up 18% to 24.2 PJ, the remainder of gas not burnt for generation was either sold to retail customers (4.0 PJ) or sold to wholesale customers (10.7 PJ, up 87% yoy).

Wholesale gas sales increased due to sales to Methanex and to another gas generator, who elected to weight its annual gas take towards the second half of calendar 2014. Genesis Energy expects that wholesale gas sales volumes will continue to increase in the future given the announcement on 25 June 2014 that it will supply Contact Energy with 27 PJ of gas for six years from 1 January 2015. This Contact agreement adds value to Genesis Energy while contributing to the reduction of its "long" position in natural gas

Gas used in internal generation was down 19% on pcp due to the planned outage of Huntly Unit 5 and the preference for burning coal through the Huntly Rankine units.

The coal stockpile at 31 December 2014 was 871,000 tonnes, which was 12% lower than a year ago, reflecting increased utilisation of the Rankine Units during Q2 2015, coal purchases that were down 23%, and a return of some wholesale coal sales. The lower coal purchases reflected the re-profiling of the supply contracts in the previous financial year.

The balance date amount of coal on hand includes a 40 kt upward revision, resulting from a regular survey of the coal stockpile volumes.

Kupe

Oil and Gas: 6 months to 31 December	2014	2013	Change	%
Gas Sales (PJ)	3.5	3.5	-0.1	-2%
Oil Production (kbbl)	238.9	273.2	-34.3	-13%
Oil Sales (kbbl)	233.4	255.1	-21.7	-9%
LPG Sales (kilotonnes)	15.2	15.1	0.1	0%
Oil and Gas EBITDAF ($m)	**46.9**	**55.0**	-8.1	-15%

Genesis Energy's 31% share of the Kupe Oil and Gas Field continued to contribute a significant proportion of group earnings in H1 2015 even though production of oil and gas was lower than in H1 2014. Oil production was down 13% to 238,906 barrels due to a planned plant outage in December to match the Unit 5 outage. The timing of oil shipments meant that there were no oil sales in November 2014, and Genesis Energy's share of oil sales were consequently 9% lower at 233,352 barrels versus the pcp. Gas production and sales were also lower than a year ago, although by a much more modest 2%. LPG sales meanwhile were flat at 15,184 tonnes.

Genesis Energy's EBITDAF from Kupe was $46.9 million in H1 2015, 15% lower than the $55.0m reported in H1 2014. This primarily reflected the lower levels of oil and natural gas sales and the lower international oil prices. The Company's hedging policy helped mitigate the significant fall in the Brent crude oil price towards the end of H1 2015.

Outlook

Genesis Energy expects that the current competition for customers in the retail electricity and gas markets will continue through 2H 2015, with elevated switching rates and retailers willing to compete aggressively on price and with bundled products in targeted regions.

Since the start of January 2015 wholesale electricity prices have been stronger than expected due to reduced inflows into hydro catchments, some capacity outages and recent modest improvements in demand.

In the remainder of FY2015 Genesis Energy expects that oil production from Kupe will likely increase and ultimately exceed the PFI estimate of 434,800 barrels. However, lower international oil prices will have a greater influence on H2 2015 Oil and Gas EBITDAF, given the lower level of hedging in place and the increased production profile.

In summary, the Company is facing headwinds on achieving its 2015 EBITDAF PFI forecast due to lower international oil prices and continued aggressive retail competition. There is some opportunity for these impacts to be offset by sustainable operating cost reductions and the improved wholesale electricity prices currently being experienced.

The FY2015 PFI estimate for NPAT of $95.4 million is likely to be met, or exceeded, based on current projections of fair value changes.

Genesis Energy expects that stay in business capex will be in the range of $40 million to $50 million compared to the PFI forecast of $61 million.

Finally, Genesis Energy reiterates its intention to pay a total dividend for FY2015 of 16.0 cps, in line with the PFI.

Ends

About Genesis Energy

Genesis Energy (NZX: GNE) is a diversified New Zealand energy company. It sells electricity, reticulated natural gas and LPG through its retail brands of Genesis Energy and Energy Online. It is New Zealand's largest energy retailer with around 650,000 customer accounts. The Company generates electricity from a diverse portfolio of thermal and renewable generation assets located in different parts of the country. Genesis Energy also has a 31% interest in the Kupe Joint Venture, which owns the Kupe Oil and Gas Field offshore of Taranaki, New Zealand. Genesis Energy had revenue of $NZ2bn during the 12 months ended 30 June 2014. More information can be found at www.genesisenergy.co.nz genesis ENERGY

GENESIS ENERGY

H1 2015 Results Presentation

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H1 2015 HIGHLIGHTS

Albert Brantley
Chief Executive

H1 2015 continued the momentum of the IPO

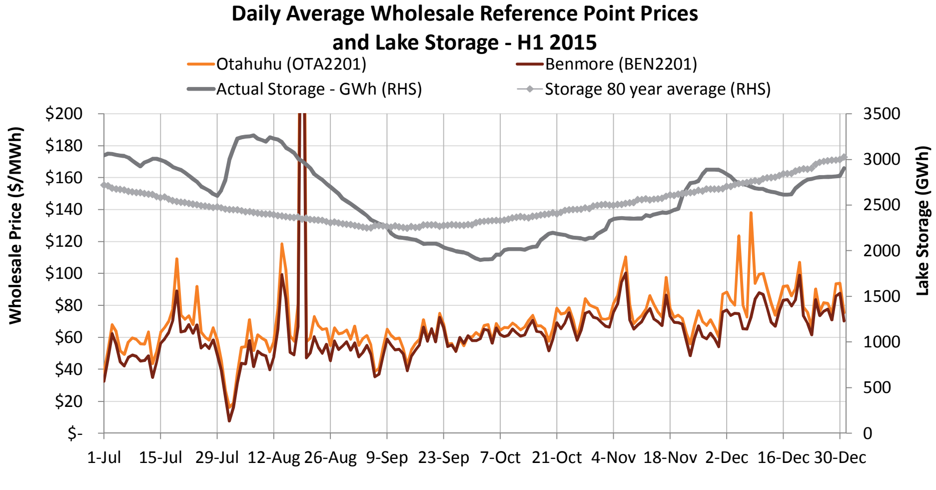
Genesis Energy's diverse asset portfolio delivered consistent earnings in the face of challenging market conditions

- Year on year growth in retail electricity and gas revenues, plus higher generation revenues, were partially offset by higher purchase costs, increased transmission charges and lower Kupe production
- H1 2015 EBITDAF of $172.8m was 15% ahead of $150.6m in H1 2014
  - In line with last year's EBITDAF, after adjusting for one off costs in H1 2014
- NPAT, Free Cash Flow and the interim dividend were all up significantly versus H1 2014

Strategic Highlights

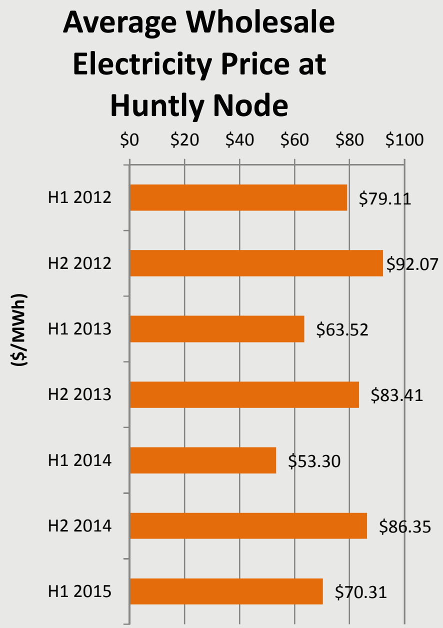
- Genesis Energy improved on its commitment to Health and Safety and achieving a zero harm work place
- Signed a four year swaption agreement with Meridian Energy to replace the swaption that expired in 2014
- Agreed an Integrated Services Contract with Transfield Worley Parsons to consolidate a number of generation maintenance contracts into one lead contract
- Completed planned major outage for Huntly Unit 5 in November to December 2014
- Launched a US Private Placement of US$150m

Wholesale Electricity Market



Source: COMIT/Genesis Energy

- Two distinct periods of hydrological conditions in H1 2015 affected wholesale electricity prices
  - Hydro storage was above average for the first two months of the period with wholesale prices around $50/MWh to $60/MWh
  - From early September onwards hydro storage was in line, or slightly below long run average, which increased average wholesale prices
  - Wholesale prices were also impacted by capacity outages late in H1, but remained in $60/MWh to $100/MWh band
- Wholesale prices averaged approximately $70/MWh in H1 2015, up 32% year on year
- Lake Tekapo storage was very similar to long run average throughout the half year
- Waikaremoana storage was significantly below long run average at beginning and end of six month period



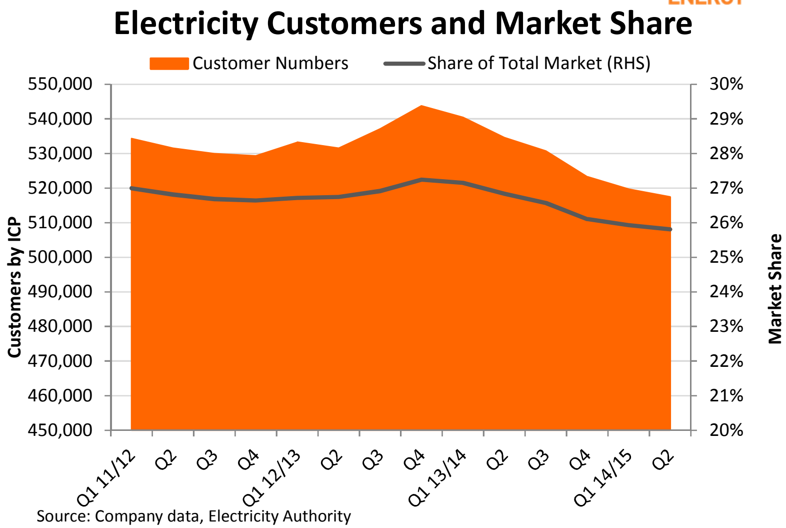
6 months to 31 December	2014	2013	Change $m	% change
Electricity Customers	517,492	534,597	-17,105	-3%
Gas Customers	108,217	115,613	-7,396	-6%
Total Customers ex LPG	**625,709**	**650,210**	**-24,501**	**-4%**
LPG Customers	13,081	10,739	2,342	22%
Total Customer Accounts	**638,790**	**660,949**	**-22,159**	**-3%**
Total Advanced Meters Installed	370,734	354,814	15,920	4%
12 months annualised churn rate	20.3%	18.4%	1.9%	10%
Mass Market Electricity Sales (GWh)	2,373	2,505	-132	-5%
TOU Electricity Sales (GWh)	453	346	107	31%
Retail Electricity Sales (GWh)	**2,825**	**2,851**	**-25**	**-1%**
Mass Market Gas Sales (PJ)	2.5	2.4	0	5%
TOU Gas Sales (PJ)	1.5	0.7	1	104%
Retail Gas Sales (PJ)	**4.0**	**3.1**	**0.9**	**29%**
Retail LPG Sales (tonnes)	1,944	1,608	335	21%
Average Retail Electricity Purchase Price - ($/MWh)	**$72.45**	**$53.98**	**$18.48**	**34%**
LWAP/GWAP ratio*	101%	99%	2%	2%

Customer Experience Performance

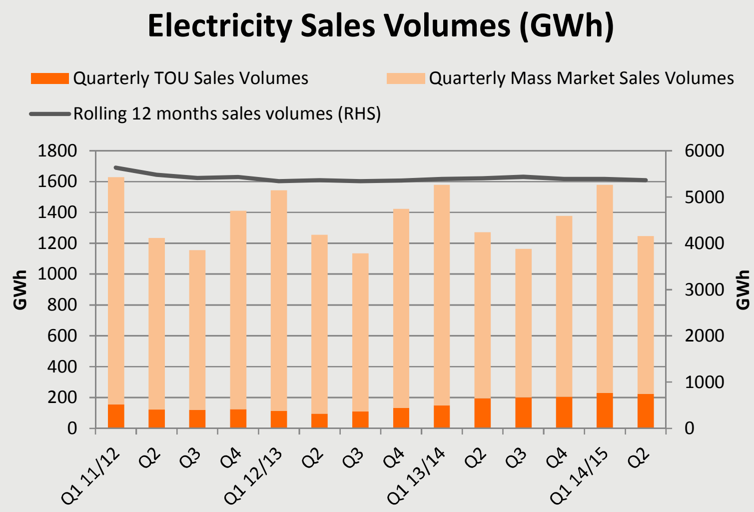
- Both mass market and Time of Use (TOU) electricity and gas markets continue to be highly competitive
- Total retail electricity sales volumes were flat year on year, while gas sales volumes were up 29%
  - Both continue to benefit from significant increases in Time of Use (TOU) sales volumes
- Electricity and gas customer numbers are both lower than last year, but have had periods of growth in the last six months
- Genesis Energy's LPG business continues to grow, leveraging Kupe production
- Genesis Energy's LWAP/GWAP ratio is up on pcp

*LWAP is the Load Weighted Average Price or the average price Genesis Energy paid to purchase electricity to supply its customers
GWAP is the Generation Weighted Average Price or the average price Genesis Energy received on the wholesale market for the electricity it generated

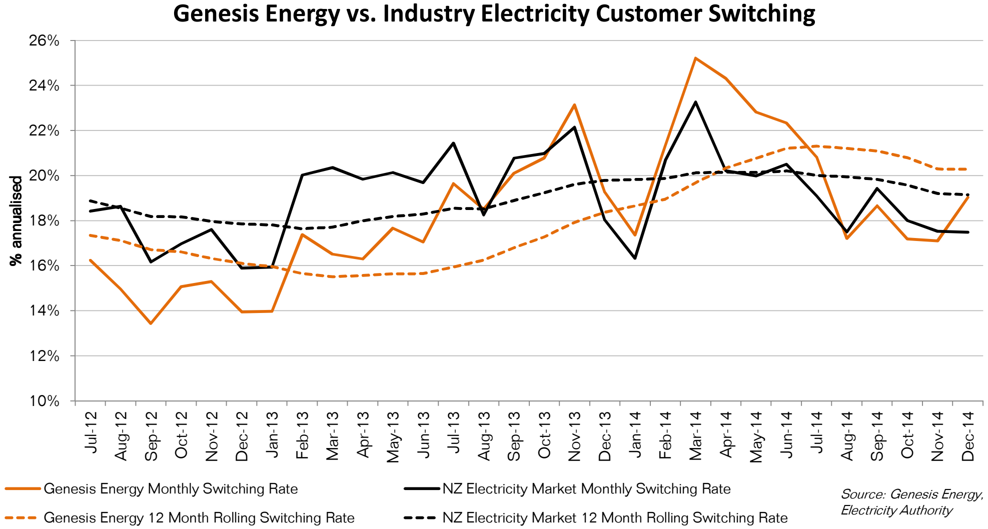
Electricity Customers



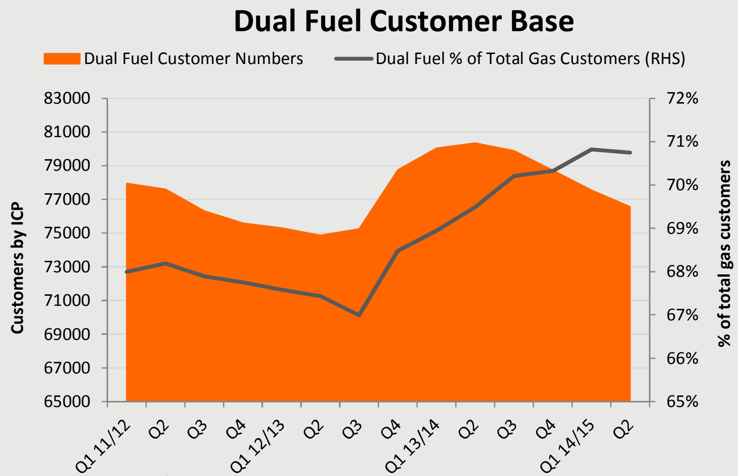
- Total electricity customers of 517,492 are 3% lower than the same time last year
  - Switching rates reduced compared to the prior six month period, but are still elevated
  - Competition has increased from new niche retailers and established competitors offering aggressively priced bundles
- TOU customers now provide 16% of total sales
  - A 5% decline in mass market sales volumes has been offset by a 31% increase in TOU sales volumes
  - Rolling 12 month total sales volumes show a flat trend over the last two years



Retaining Electricity Customers

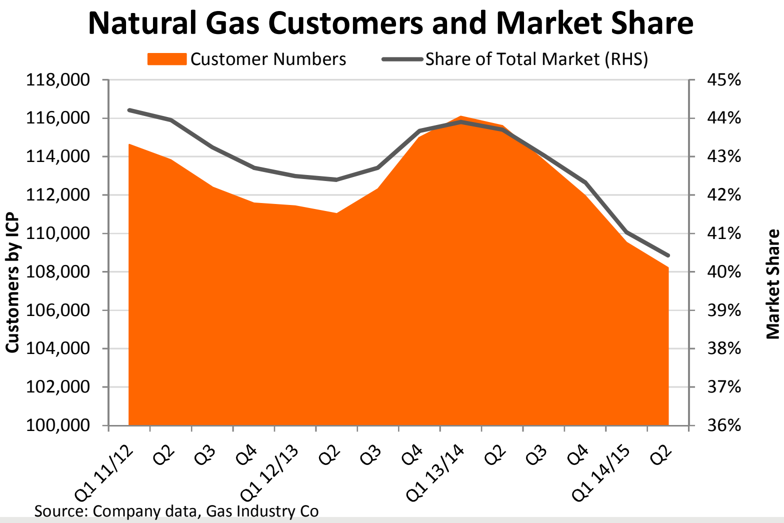


- Dual fuel options and value-added services provided through Advanced Meters are helping to retain customers
- 71% of all gas customers now also take electricity from Genesis Energy
- Over 370,000 Advanced Meters have now been installed in 71% of electricity customers
    - Over 60% of energy customers have registered to check their accounts and usage online
- There has also been good growth in contracted customers (now 22% of total mass market base)
- Most of Genesis Energy's customer churn is occurring in the North Island - South Island customers are steady at 81,519, representing 16% of total customers by ICPs



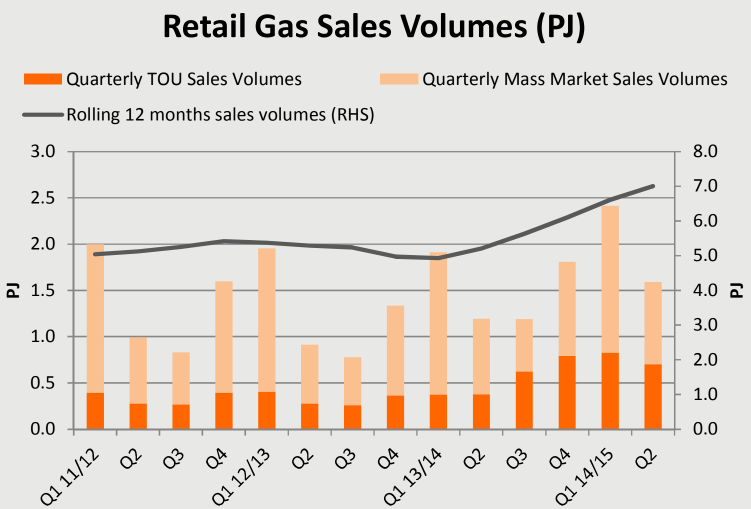
Source: Company data

Gas Customers



Source: Company data, Gas Industry Co

- The total of 108,217 gas customers at 31 December 2014 represents a reduction of 6% versus a year ago
  - Reflects competition from new bundlers of gas and electricity, plus some customers rolling off promotional discounts
  - Largest losses have occurred in Auckland/Waitemata, Waikato and Thames Valley regions
- Despite the customer losses total retail gas sales volumes are up 29% in H1 2015 to 4.0PJ compared to 3.1PJ in H1 2014
  - Driven by increased TOU gas sales which are up 104%
  - Some large commercial contracts have been won
  - Continue to provide attractive dual fuel offering to SME's and larger commercial customers

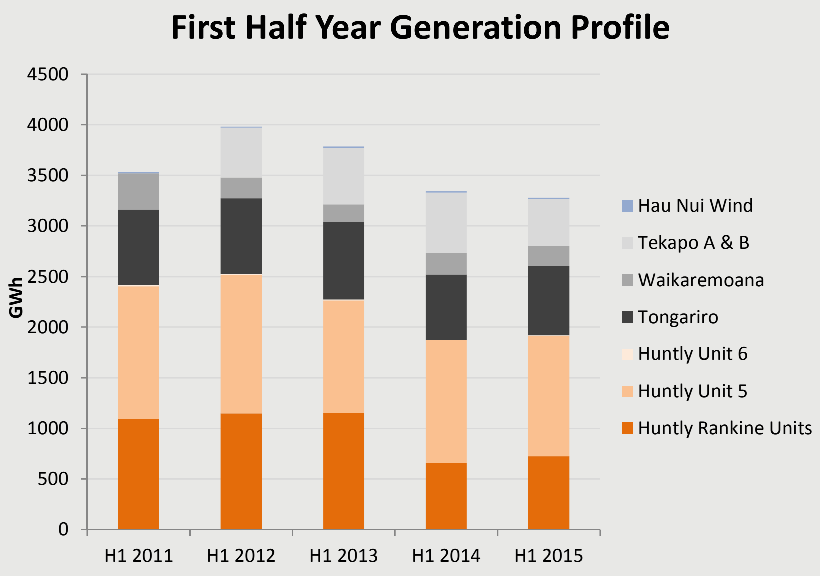


Generation Performance

6 months to 31 December	2014	2013	Change $m	% change
Gas (GWh)	1,277	1,471	-194	-13%
Coal (GWh)	641	405	237	58%
Total Thermal (GWh)	**1,918**	**1,875**	42	2%
Hydro (GWh)	1,351	1,456	-105	-7%
Wind (GWh)	11	12	-1	-7%
Total Renewable (GWh)	**1,363**	**1,468**	-106	-7%
Total Generation (GWh)	**3,280**	**3,344**	-63	-2%
Average Price Received for Generation ($/MWh)	$71.75	$54.55	$17.20	32%

Genesis Energy's total generation was down 2% from H1 2014 to 3,280 GWh, but output varied over the half year:

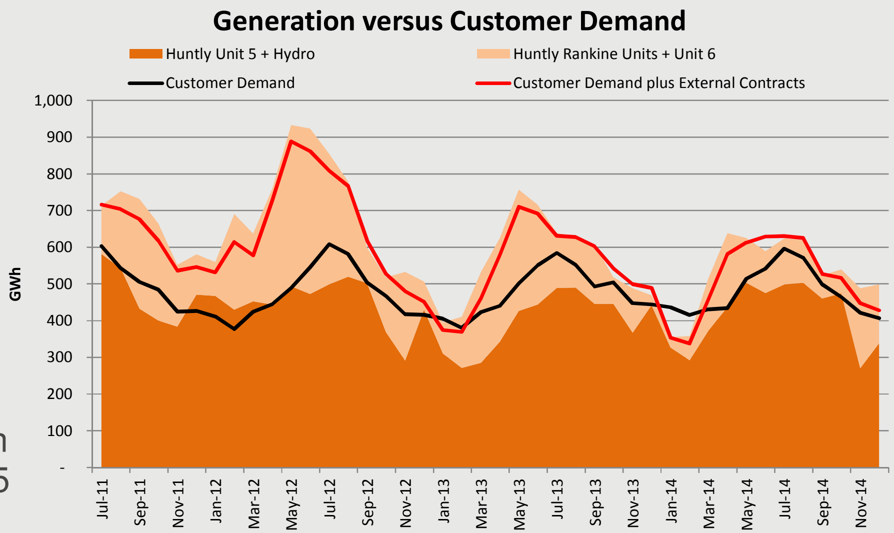
- Generation was down 6% in Q1 2015 when hydro inflows were above average and wholesale prices were low
- Generation was up 3% in Q2 2015 when less rain, more plant outages and improving demand all increased wholesale electricity prices
- Gas fired generation was 13% lower than pcp due to the planned major outage of Huntly Unit 5
- Coal fired generation was up 58% on pcp as Huntly Rankine units were used to cover the Unit 5 outage, and consistent with higher wholesale electricity prices
- Hydro generation was constrained by hydro inflows in the second part of the period



Generation Versus Customer Demand

Genesis Energy's approach is to broadly match customer demand with generation output from Huntly Unit 5, plus its hydro stations

- There were some periods throughout the year when demand not matched by generation
- In the last two years the amount by which Genesis Energy is a net seller of wholesale contracts (the gap between black and red lines on chart) has diminished
    - Reflects only two Rankine units are in use now, a more balanced portfolio, plus a very dry year in 2012
- There was a significant reduction in baseload generation in November 2014 due to the planned outage of Huntly Unit 5

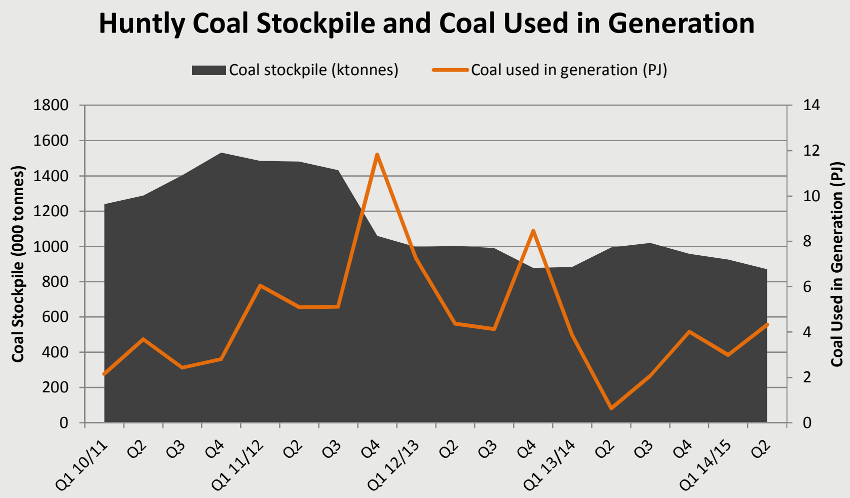


6 months to 31 December	2014	2013	Change $m	% change
Wholesale Gas Sales (PJ)	10.7	5.7	5.0	87%
Total Gas Purchases (PJ)	24.2	20.5	3.6	18%
Gas Used in Internal Generation. (PJ)	9.6	11.8	-2.2	-19%
Wholesale Coal Sales (PJ)	0.2	0.0	0.2	N/A
Coal Purchases (PJ)	5.4	7.1	-1.6	-23%
Coal Used in Internal Generation (PJ)	7.2	4.5	2.7	59%
Coal Stockpile (kilotonnes)	871	994	-123	-12%

Fuel Management

Management of gas and coal volumes remains a key feature of Genesis Energy's business activities

- Wholesale gas sales increased 87% yoy due to
  - Methanex ramping up production; and
  - Another gas generator weighting its annual gas take towards the second half of calendar 2014
- Gas used in internal generation decreased 19% to 9.6PJ, mainly due to the Unit 5 outage
- Coal purchases were down 23% since a year ago, reflecting the termination of the offshore supply contract plus re-profiling of the domestic supply contract
- The coal stockpile reduced 12% to 871,000 tonnes due to increased coal burn in Q2



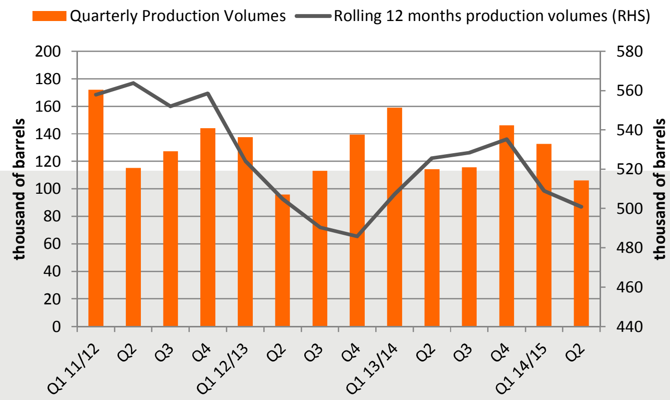
Kupe: 6 months to 31 December	2014	2013	Change $m	% change
Gas Sales (PJ)	3.5	3.5	-0.1	-2%
Oil Production (kbbl)	238.9	273.2	-34.3	-13%
Oil Sales (kbbl)	233.4	255.1	-21.7	-9%
LPG Sales (kilotonnes)	15.2	15.1	0.1	0%

Kupe

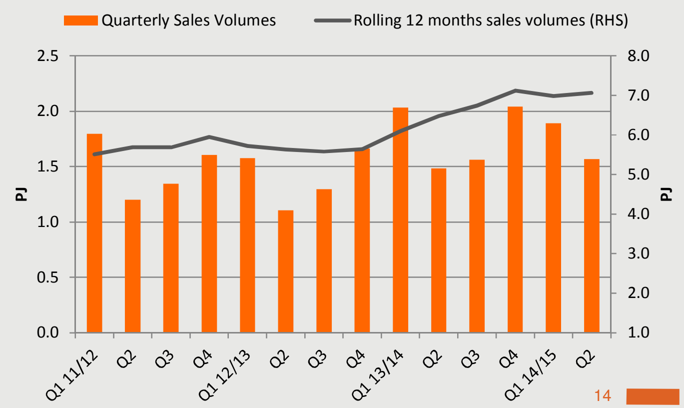
Kupe continues to be a significant contributor of earnings and cashflow

- H1 2015 EBITDAF was impacted by lower production and a significant fall in Brent crude oil price
  - Oil production was down 13% to 238,900 barrels due to a planned outage in December 2014 to match the Unit 5 outage
  - In line with Genesis Energy's policy, oil sales were significantly hedged, which helped mitigate the fall in international oil prices towards the end of H1 2015.
- Work is currently under way by the Joint Venture to prove up reserves in the field – initial indications are positive, but too early to draw any conclusions or estimate impact

Kupe Oil Production Volumes (kbbl)



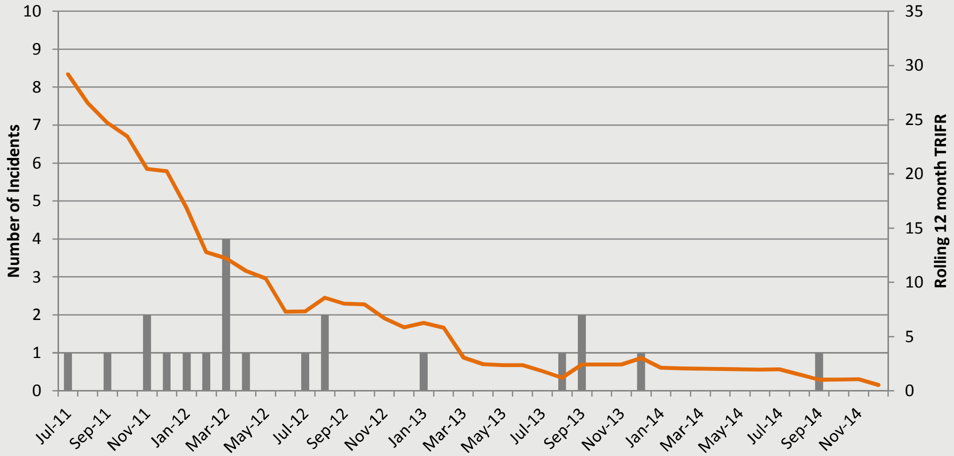
Kupe Gas Sales Volumes (PJ)



People, Health and Safety

The safety of Genesis Energy's employees, contractors and workplaces continues to be a priority

- Genesis Energy is committed to a zero harm work environment
- Only 1 lost time incident in H1 2015 (versus 2 in H1 2014)
- TRIFR* of 0.54 at 31 December 2014 was 82% lower than a year ago
- Major plant maintenance projects completed without any serious incidents



Source: Genesis Energy, TRIFR is measured by number of incidents per million man hours worked

*Total Recordable Injury Frequency Rate per million man hours for the last 12 month period

H1 2015 FINANCIAL PERFORMANCE

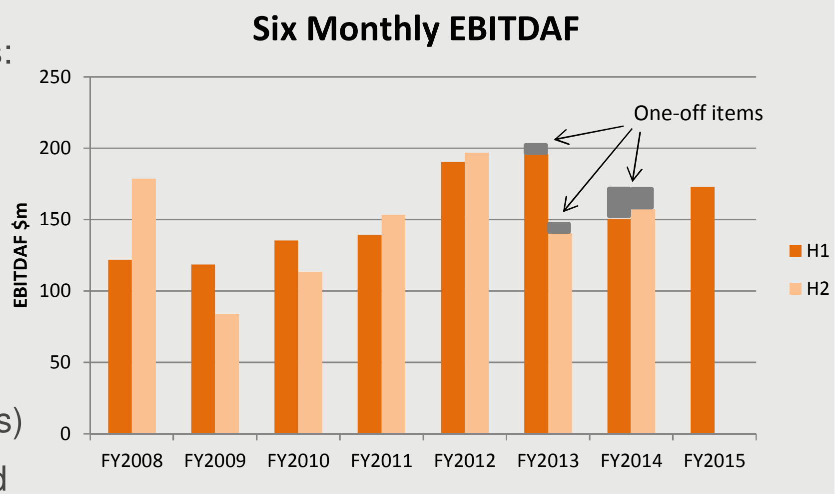
Andrew Donaldson
Chief Financial Officer

$m	H1 2015	H1 2014	Change $m	% change
Revenue	1,067.8	973.1	94.7	10%
Energy Management EBITDAF	100.7	82.2	18.5	22%
Customer Experience EBITDAF	44.2	35.6	8.6	24%
Oil and Gas EBITDAF	46.9	55.0	-8.1	-15%
Corporate Overheads	-19.0	-22.2	3.2	-14%
Total EBITDAF	172.8	150.6	22.2	15%
Net profit after tax	68.2	19.7	48.5	246%
Free cash flow	91.5	83.1	8.4	10%
Dividends declared (cps)	8.0	6.4	1.6	25%
Net debt*	959.0	966.1	-7.1	-1%

*Net debt comparison is with Balance Date of 30 June 2014

Results Summary

- EBITDAF, NPAT, free cash flow (FCF), dividends and net debt are all better than in the previous comparable period
- EBITDAF of $172.8m being 15% higher than in H1 2014 reflects:
  - An improvement in Customer Experience EBITDAF
  - A reduction in Corporate Overhead costs
  - A flat EBITDAF contribution from the Energy Management segment, after adjusting for last year's coal supply contract termination fee and onerous contract provisions
  - Offset by a reduction in the Kupe Oil and Gas EBITDAF
  - Maintains six monthly consistency in EBITDAF (net of one-offs)
- Improvement in FCF is despite relatively higher tax expense and emphasises Genesis Energy's cash generating activities
- Net debt improved slightly and within target range

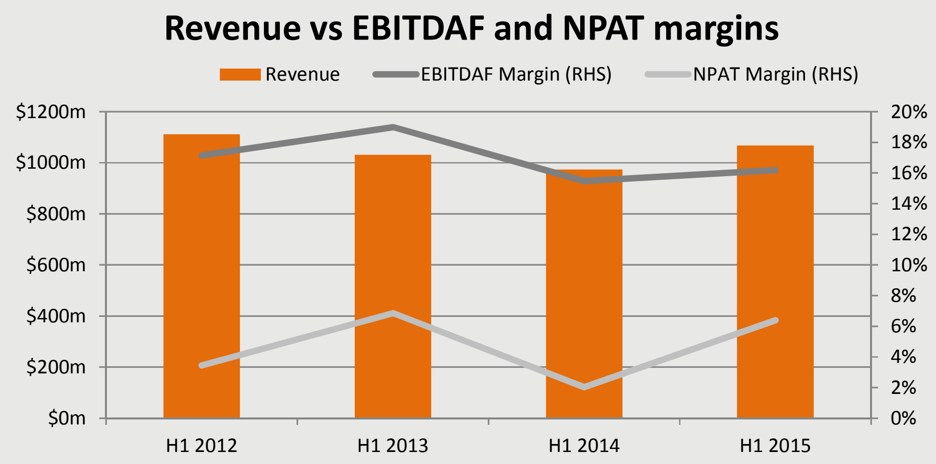


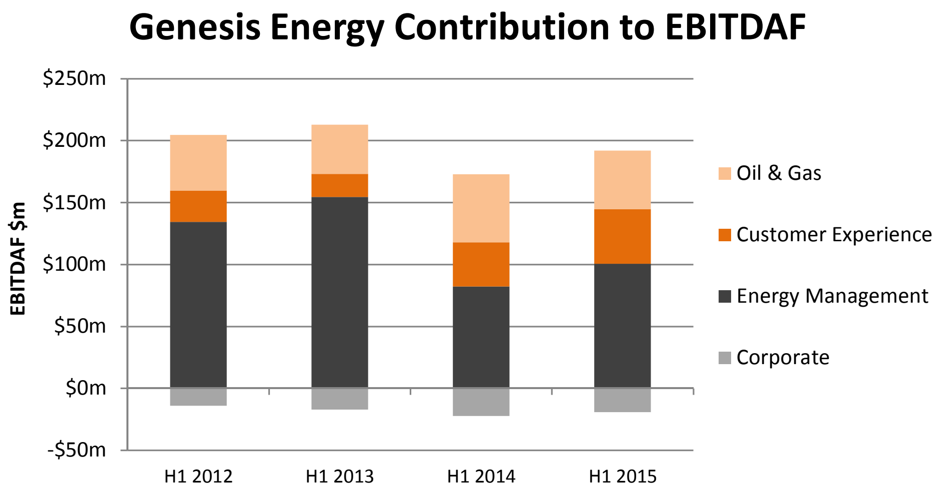
Profit and Loss Summary

- Revenue was up 10% to $1,068m due to increased generation revenues and mass market price increases made in April last year
- EBITDAF was $22m higher than in H1 2014
  - Higher revenues more than offsetting increased electricity and gas purchase costs, and lower production from the Kupe oil and gas field
- Net Profit after Tax (NPAT) was up by $49m in H1 2015
  - Better EBITDAF outcome plus lower depreciation, depletion and amortisation expense, and a positive swing in the fair value of financial instruments
  - Significantly increased amount of tax expensed in H1 2015

$m	H1 2015	H1 2014	Change $m	% change
Revenue	**1,067.8**	**973.1**	94.7	10%
Total operating expenses	895.0	822.5	72.5	9%
EBITDAF*	**172.8**	**150.6**	22.2	15%
Depreciation depletion & amortisation	75.7	81.2	-5.5	-7%
Impairment	3.3	3.6	-0.3	-9%
Fair value change (gains)/losses	-34.6	2.6	-37.2	-1412%
Other (gains)/losses	-0.9	0.3	-1.2	-463%
Earnings before interest and tax	**129.3**	**62.9**	66.4	106%
Interest	33.9	34.2	-0.3	-1%
Tax	27.2	9.0	18.2	203%
Net profit after tax	**68.2**	**19.7**	48.5	246%
Earnings per share (cents per share)	6.8	2.0	4.9	246%

*Earnings before net finance expense, tax, depreciation, amortisation, fair value changes and other gains and losses

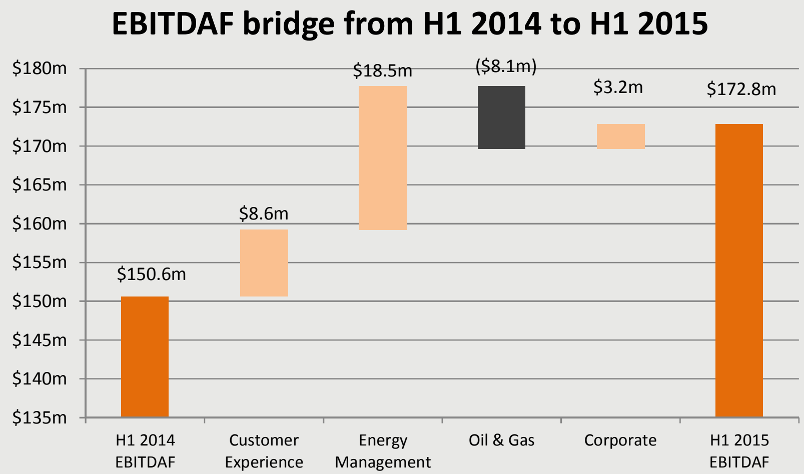




Segmental Detail

Contributions to H1 2015 EBITDAF growth changed materially

- The $9m improvement in Customer Experience EBITDAF was primarily due to:
  - Increased electricity and gas TOU volumes
  - Increases in electricity and gas pricing in April 2014
  - Reduced operating costs
- Energy Management EBITDAF increased 22% to $101m
  - Higher generation revenues
  - Lift in wholesale gas sales
- Kupe's H1 2015 EBITDAF of $47m is 15% lower than pcp due to the planned plant outage
- Corporate overheads decreased primarily due to reduced headcount resulting from cost out initiatives and the non-recurrence of costs associated with the IPO in previous period



$m	H1 2015	H1 2014	Change $m	% change
EBITDAF	**172.8**	**150.6**	22.2	15%
Offer costs	0.0	2.4	-2.4	-100%
Coal supply contract termination fee and related onerous contracts	0.0	19.1	-19.1	-100%
Total impact on EBITDAF	**0.0**	**21.5**	-21.5	N/A

One-off and Significant Items

In the previous comparable period there were two significant one-off items that impacted EBITDAF:

- $19.1m cost of terminating an international coal supply contract and the related onerous contract
- $2.4m of costs relating to the IPO

No one-off costs incurred in H1 2015

After adjusting for one-offs, H1 2015 and H1 2014 EBITDAF very similar

As at ($m)	31 Dec 2014	30 Jun 2014	Change $m	% change
Cash and cash equivalents	30.4	23.3	7.1	30%
Other current assets	321.9	334.0	-12.1	-4%
Non-current assets	3,252.3	3,272.1	-19.8	-1%
Total assets	3,604.6	3,629.4	-24.8	-1%
Total borrowings	989.4	989.4	0.0	0%
Other liabilities	738.5	759.3	-20.8	-3%
Total equity	1,876.7	1,880.7	-4.0	0%
Net debt	**959.0**	**966.1**	**-7.1**	**-1%**
Gearing	33.8%	33.9%	0.0	0%
EBITDAF interest cover	6.8	5.3	1.5	27%
Net debt: EBITDAF*	**2.8**	**3.1**	**-0.4**	**-12%**
NTA per share	$1.75	$1.75	0.0	0%

Balance Sheet

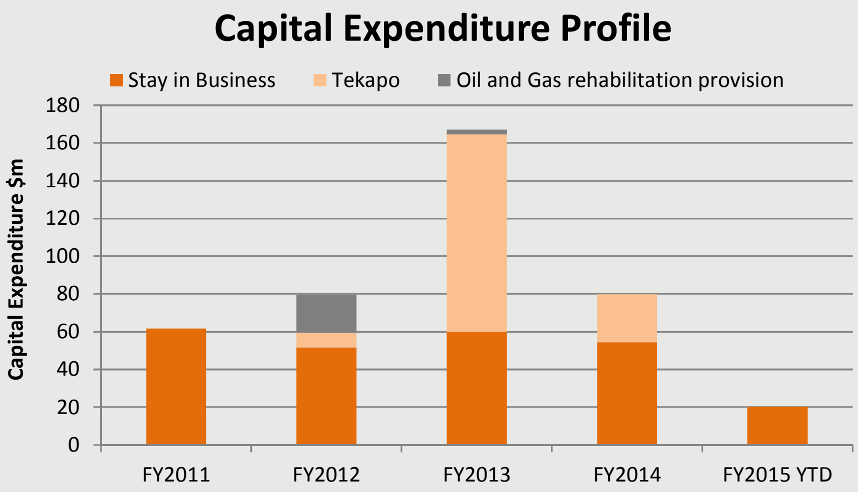
- In six month period net debt reduced 1% to $959m
  - Final dividend of $66m
  - Gearing is flat at 33.8% compared to the last balance date
- EBITDAF interest cover improved since last year given reduction in interest costs and relative increase in EBITDAF
- Annualised Net Debt to EBITDAF improved based on higher EBITDAF
- Credit metrics remain consistent with retaining Standard and Poors' BBB+ rating
- Issued US$150m of unsecured loan notes in USPP which increased average maturities from 7.1 to 8.8 years

*In H1 2015 figures EBITDAF has been annualised to provide a comparable Net Debt/EBITDAF ratio with FY2014 balance date

Cashflow and Capital Expenditure

$m	H1 2015	H1 2014	Change $m	% change
Net operating cashflow	136.2	164.6	-28.4	-17%
Net investing cashflow	-25.6	-32.6	7.0	-21%
Net financing cashflow	-103.5	-106.4	2.9	-3%
Net increase (decrease) in cash	**7.1**	**25.6**	-18.5	-72%
Stay in business capex	20.2	24.3	-4.1	-17%
Free cash flow	**91.5**	**83.1**	8.4	10%

- Free cash flow improved by 10% versus H1 2014 due to increased EBITDAF and lower stay in business capital expenditure offsetting higher tax
- Investing cashflows are better than pcp due mainly to lower stay in business capital expenditure – down 17% yoy to $20.2m
  - Focus on asset management leading to material decreases in stay in business capital expenditure
- Operating cashflows decreased 17% versus H1 2014 due to working capital movements

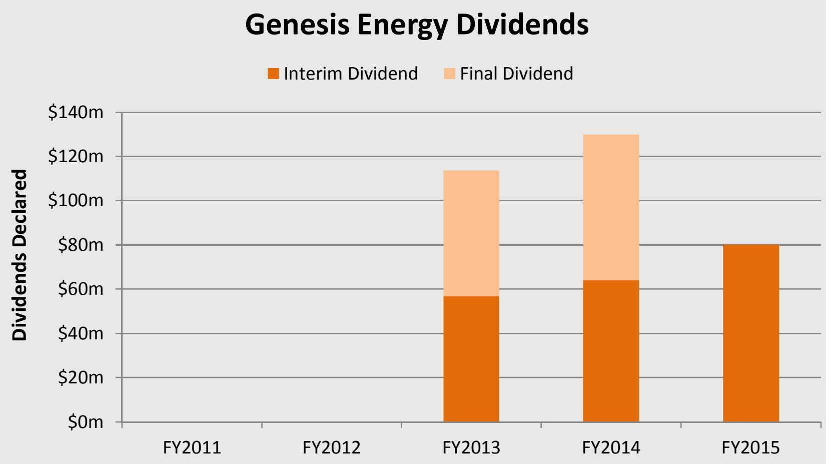


Dividend policy remains unchanged:

- Intention is to pay a dividend that provides shareholders with a consistent, reliable and attractive dividend even in periods of business-cycle downturn
- Expected that year on year dividends will be at least maintained in real terms

Dividends

- Fully imputed interim dividend of 8.0cps is 25% higher than for 2014
  - Record date of 2 April 2015 and payment date of 16 April 2015
  - Supplementary dividend of 1.4cps for foreign investors
- H1 2015 interim dividend equates to 87% of Free Cash Flow
  - Compares to 77% in 1H 2014
  - Payout influenced by first half weighting of tax expensed in FY2015
- Increased dividends reflect improvement in earnings in line with dividend policy



Summary and Outlook

- Retail electricity and gas markets will remain challenging
- Since the start of January 2015 wholesale electricity prices have been higher on average than expected
- In the remainder of FY2015 it is expected that oil production from Kupe will catch up H1 shortfall and exceed the PFI estimate of 434,800 barrels
- However, lower international oil prices will have a greater influence on H2 2015 Oil and Gas EBITDAF, given the lower level of hedging in place and the increased production profile

Outlook

- The Company is facing headwinds on achieving its 2015 EBITDAF PFI forecast due to lower international oil prices and continued aggressive retail competition
- There is some opportunity for these impacts to be offset by sustainable operating cost reductions and the improved wholesale electricity prices currently being experienced
- FY2015 PFI estimate for NPAT of $95.4 million is likely to be met, or exceeded, based on current projections of fair value changes
- Stay in business capex for the full year is expected to be in the range of $40 million to $50 million, compared to the PFI forecast of $61 million
- The Company retains its intention to pay a total dividend for FY2015 of 16.0 cps, in line with the PFI

THANK YOU

Appendix 4D

GENESIS ENERGY LIMITED
(ARBN 149 509 599)
INCORPORATED IN NEW ZEALAND

HALF YEAR REPORT

Reporting period	six months to 31 December 2014
Previous reporting period	six months to 31 December 2013

RESULTS FOR ANNOUNCEMENT TO THE MARKET – 24 FEBRUARY 2015

Revenue and Net Profit	31 December 2014 Amount ($NZ millions)	31 December 2013 Amount ($NZ millions)	Percentage change
Revenues from ordinary activities	1,067.8	973.1	10%
Profit (loss) from ordinary activities after tax attributable to security holder.	68.2	19.7	246%
Net profit (loss) attributable to security holders	68.2	19.7	246%

Dividends – Ordinary Shares	31 December 2014 Amount per security (NZ cents)	31 December 2013 Amount per security (NZ cents)	Percentage change
Final dividend	8.0	6.4	25%
Final dividend - imputed amount	8.0	6.4	25%

Record date: 2 April 2015
Payment date: 16 April 2015

COMMENTARY ON RESULTS FOR THE PERIOD (Appendix 4D Item 2.6)

For commentary on the results please refer to the Management Discussion and Analysis attached.

FINANCIAL INFORMATION

The Appendix 4D should be read in conjunction with the consolidated financial statement for the year ended 31 December 2014 as attached.

Net Tangible Assets – Ordinary Shares (Appendix 4D Item 3)	31 December 2014 Amount per security (NZ cents)	31 December 2013 Amount per security (NZ cents)	Percentage change
Net Tangible Asset	175	175	0%

ASSOCIATES AND JOINT VENTURE ENTITIES (Appendix 4D Item 7)

Entity name	Ownership Interest		Aggregate share of profits/(losses), where material		Contribution to net profit, where material	
	2014 %	2013 %	2014 NZ$000	2013 NZ$000	2014 NZ$000	2013 NZ$000
Kupe Joint Venture	31%	31%	*	*	*	*

*Note the operating results of the Kupe Joint Venture are included in the Oil and Gas segment in note 2 in the attached financial statements.

ACCOUNTING STANDARDS FOR FOREIGN ENTITIES (Appendix 4D Item 8)

The Company prepares its financial statements pursuant to New Zealand International Financial Reporting Standards.

INDEPENDENT AUDIT REVIEW (Appendix 4D Item 9)

This report is based on financial statements that have been the subject of a review by the Company's auditor. Their review report is attached to the financial statements, which is provided with this preliminary report.

24 February 2015

Company Announcement Office
ASX Market Announcements
Exchange Centre
Level 6
20 bridge Street
Sydney NSW 2000
Australia

The Genesis Energy Building
660 Great South Road
PO Box 17-188
Greenlane
Auckland 1051
New Zealand

DX Box CX10034

Genesis Energy Limited

Telephone: 09 580 2094

Fax: 09 580 4894

Dear Sir/Madam,

Genesis Energy Limited (GNE)

Listing Rule 4.2A.2A – Details of Directors and Directors' Declaration in Respect of the Half Year Financial Statements and Notes

This announcement is made pursuant to ASX Listing Rule 4.2A.2A and relates to, and should be read in conjunction with, the company's announcement of its results for the six months to 31 December 2014, dated 24 February 2015.

The Directors of Genesis Energy Limited, at any time during or since the end of the half year ended 31 December 2014, were:

Dame Jenny Shipley	–	Chairman
Joanna Perry	–	Deputy Chairman
John Dell	–	Director
John Leuchars	–	Director
Rukumoana Schaafhausen	–	Director
Mark Cross	–	Director
Graeme Milne	–	Director
Douglas McKay	–	Director
Andrew Clements	–	Director (retired 28 October 2014)

Attached is a declaration on behalf of the Directors of the company in respect of the company's half year financial statements and notes for the six months to 31 December 2014.

Yours faithfully

Maureen Shaddick
General Counsel and Company Secretary

GENESIS ENERGY LIMITED
('Company')

Directors' Declaration in respect of the Group Financial Statements for the six months ended 31 December 2014

It is a requirement of the Australian Securities Exchange Listing Rule 4.2A.2A that a declaration be given by the Directors of the Company in respect of the interim financial statements of Genesis Energy and its subsidiaries ('**Genesis Energy Group**') for the six months ended 31 December 2014.

This declaration must be filed with the Australian Securities Exchange.

Declaration

The Directors of the Company hereby declare that in the Directors' opinion:

a. The Genesis Energy Group interim financial statements for the six months ended 31 December 2014 and the notes to those financial statements have been prepared in accordance with generally accepted accounting practice in New Zealand as it relates to the interim financial statements;

b. The Genesis Energy Group interim financial statements for the six months ended 31 December 2014 and the notes to those financial statements give a true and fair view of the financial position and performance of the Genesis Energy Group for the six months ended on that date;

c. There are reasonable grounds to believe that the Genesis Energy Group will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with the resolution of the Directors dated 23 February 2015 and is signed for and on behalf of the Board of Directors by the Board Chairman.

Signed

Dame Jenny Shipley
Chairman

APPENDIX 7 – NZSX Listing Rules

EMAIL: announce@nzx.com

Notice of event affecting securities

NZSX Listing Rule 7.12.2. For rights, NZSX Listing Rules 7.10.9 and 7.10.10.
For change to allotment, NZSX Listing Rule 7.12.1, a separate advice is required.

Number of pages including this one (Please provide any other relevant details on additional pages): ☐

Full name of Issuer	Genesis Energy Limited
Name of officer authorised to make this notice	Maureen Shaddick, General Counsel and Company Secretary
Authority for event, e.g. Directors' resolution	Directors' resolutions
Contact phone number	09 9 951 9304
Contact fax number	
Date	24 / 02 / 2015

Nature of event
Tick as appropriate

Bonus Issue ☐ | *If ticked, state whether:* *Taxable* ☐ */ Non Taxable* ☐ | *Conversion* ☐ | *Interest* ☐ | *Rights Issue Renouncable* ☐

Rights Issue non-renouncable ☐ | Capital change ☐ | Call ☐ | Dividend ☒ | If ticked, state whether: Interim ☒ | Full Year ☐ | Special ☐ | DRP Applies ☐

EXISTING securities affected by this

If more than one security is affected by the event, use a separate form.

Description of the class of securities	Ordinary Shares
ISIN	NZGNEE0001S7

If unknown, contact NZX

Details of securities issued pursuant to this event

If more than one class of security is to be issued, use a separate form for each class.

Description of the class of securities	
ISIN	

If unknown, contact NZX

Number of Securities to be issued following event	
Minimum Entitlement	
Ratio, e.g (1) for (2)	for
Conversion, Maturity, Call Payable or Exercise Date	
Enter N/A if not applicable	
Treatment of Fractions	
Tick if pari passu ☐ OR *provide an explanation of the ranking*	
Strike price per security for any issue in lieu or date Strike Price available.	

Monies Associated with Event

Dividend payable, Call payable, Exercise price, Conversion price, Redemption price, Application money.

In dollars and cents

Amount per security (does not include any excluded income)	$0.08 per share
Source of Payment	Retained Earnings
Excluded income per security (only applicable to listed PIEs)	
Currency	NZ Dollars
Total monies	$80,000,000

Supplementary dividend details - NZSX Listing Rule 7.12.7

Amount per security in dollars and cents	$0.014
Date Payable	16 April 2015

Taxation

Amount per Security in Dollars and cents to six decimal places

In the case of a taxable bonus issue state strike price	$
Resident Withholding Tax	$0.006 per share
Imputation Credits (Give details)	$0.031 per share
Foreign Withholding Tax	$
FDP Credits (Give details)	

Timing (Refer Appendix 8 in the NZSX Listing Rules)

Record Date 5pm *For calculation of entitlements -*	2 April 2015
Application Date *Also, Call Payable, Dividend / Interest Payable, Exercise Date, Conversion Date. In the case of applications this must be the last business day of the week.*	16 April 2015
Notice Date *Entitlement letters, call notices, conversion notices mailed*	
Allotment Date *For the issue of new securities. Must be within 5 business days of application closing date.*	

OFFICE USE ONLY
Ex Date:
Commence Quoting Rights:
Cease Quoting Rights 5pm:
Commence Quoting New Securities:
Cease Quoting Old Security 5pm:

Security Code:

Security Code: