



1 July 2015

Commerce Commission application filed

Z Energy today said its application to the Commerce Commission for the company's acquisition of Chevron New Zealand has been filed and is now available on the Commission's website at www.comcom.govt.nz.

Z Chief Executive Mike Bennetts said anytime competitors merged it was appropriate for the competitive implications to be thoroughly examined. He said while the application was for a significant transaction, the company was confident in the strength of its application and looked forward to working with the Commission to process it.

Key points in Z's application are that:

- Global fuel companies are likely to continue to look to exit small, mature markets like New Zealand and Z, as a local company that only services the domestic market, is the best buyer of these assets for New Zealand
- New Zealand's liquid fuel supply chain is currently operated in a range of joint ventures, so there is no lessening of competition across the supply chain
- The Caltex and Z branded service station networks are largely complementary in that significant consumer choice will remain following the transaction. For example, across New Zealand there are just five instances of where there is only a Z and a Caltex-branded service station together within a radius of five kilometres
- The business models of the two brands are completely different and again complementary, with Caltex-branded service stations owned and operated by independent business people who set their own fuel prices.

Z Energy said the process of working through the application with the Commission would now continue and was expected to take a number of months.

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