



29 March 2016

Update on Customs process

Z Energy today said it has settled the dispute with the New Zealand Customs Service (Customs) over the treatment of co-mingled fuels at Wiri Oil Services Limited (WOSL) and all other Z terminals.

On 4 September 2015, Z announced that it had made a \$23 million payment to Customs relating to the WOSL fuel terminal and that a process was underway to determine if there was any liability at Z's other terminals around New Zealand. In addition, Z paid an additional \$5 million to cover further assessed liabilities arising from other Z terminals in payments in July and August.

The full and final settlement with Customs covers both WOSL and all other terminals and has been completed for a total cost of \$18.5 million, meaning \$9.5 million that had previously been paid to Customs has been returned to Z.

Of the final settlement figure of \$18.5 million, \$13.5 million is an impact in FY16, as \$5 million was accrued for in FY15.

Jonathan Hill: 04 498 0212