



## **MARKET RELEASE**

**Date: 19 October 2016**

### **Genesis Energy Limited (GNE): Market Guidance Update**

Speaking at the Genesis Energy Annual Shareholder Meeting today (19 October 2016), the Company's Chief Executive, Marc England, provided the financial markets with an update on the Company's forecast financial performance for the Full Year to 30 June 2017 (FY2017).

Earnings guidance for FY2017 is that Genesis Energy will deliver EBITDAF of \$305 to \$325 million. This is comparable to the FY2016 result if adjusted for two significant accounting items totaling \$12 million. These items were the difference in deferred customer acquisition costs and the write back of Rankine spares following the revaluation of the assets.

As signaled during the annual results presentation, the business is facing a number of market headwinds including lower realised oil prices due to the historically higher priced oil hedges now having rolled off, increased carbon costs and a new below market contract that was signed to support the ongoing viability of the Tiwai Point smelter.

Offsetting this, the management team have worked hard to improve underlying business performance and the things we can control such as overhead costs and planned revenue improvement. These performance improvements collectively have created capacity to invest in new and transformational growth opportunities that will drive medium and long term EBITDAF growth.

Stay in business capital expenditure guidance for FY2017 is \$35 - \$45 million with an additional \$10 million likely to be spent on growth initiatives across the business.

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  
Group Manager Strategy and Investor Relations  
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 645,000 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 2016. More information can be found at [www.genesisenergy.co.nz](http://www.genesisenergy.co.nz)