Q3 QUARTERLY PERFORMANCE

genesis ENERGY

Q3 2016 MARKET AND OPERATIONAL INFORMATION

This disclosure includes market and operational information for Genesis Energy Limited for the quarter ending 31 March 2016 ("Q3").

↑8%

Electricity sales volumes were up 8% in Q3 versus Q3 2015

↓28%

Average wholesale electricity price of $67.79/MWh was down 28% on Q3 2015

↓30%

The coal stockpile at Huntly was 30% lower than at 31 March 2015, at 500,086 tonnes

↑1.4%

Total customer numbers up 1.4% versus Q3 2015 to 655,625

Customer numbers continue to improve as coal stockpile shrinks

Genesis Energy continued to increase its total electricity, gas and LPG customers despite intense competition and an increasing number of energy retailers in the New Zealand market.

Led by a strong performance from Energy Online, Genesis Energy had 524,122 electricity customers at 31 March 2016, a 0.3% increase over Q2 2016 and a 1.5% improvement over 31 March 2015. A focus on retaining customers through continued innovation and online services has resulted in a 12 month switching rate of 20.0% for both Energy Online and Genesis Energy brands, 1.0% lower than that of the broader electricity market.

Total retail electricity volume sold in Q3 of 1,240GWh was 8% higher than Q3 2015. While mass market electricity volumes remained consistent, Time of Use (TOU) sales have increased 41% year on year.

Year to date FY2016 retail electricity sales are up 7% on the first nine months of 2015, with mass market sales 1% higher.

Genesis Energy improved its gas customers to 106,908 in Q3 2016 with total gas sales increasing 3% over Q3 2015. Total retail gas sales year to date were up 5% compared to the same period last year, driven by a 9% increase in TOU gas sales.

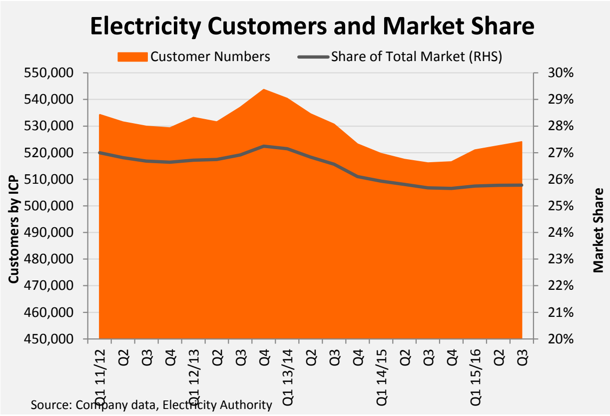
Retail LPG customer numbers also increased by 11% to 14,717 during Q3 2016 when compared to the same period last year. Total LPG sales during Q3 were up 12%, to 670 tonnes, with year to date sales of 2,872 tonnes up 13% on last year.

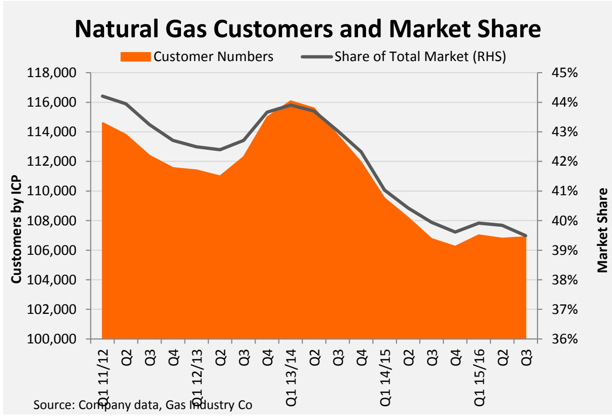
National hydro storage levels finished the quarter at 107% of seasonal average and although there were some periods when storage was below average, the average wholesale electricity price was 26% lower than Q3 2015 at $67.63/MWh. Storage levels at the end of Q3 were 52% of the maximum for Genesis Energy, compared to 77% nationally, due to the Company choosing to run its hydro units over its thermal units. Renewable generation in Q3 2016 was up 27% compared to Q3 2015, whereas total generation was down 6% year on year.

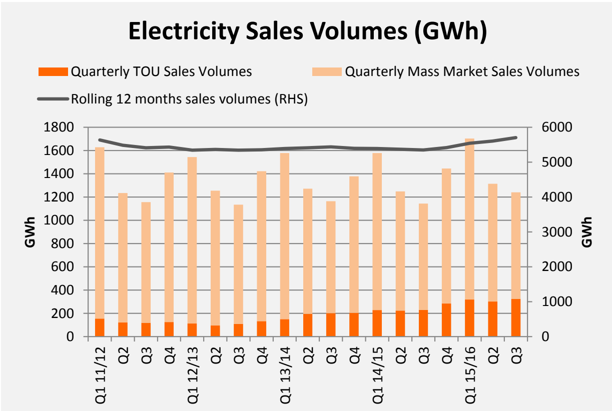
The lower wholesale prices in Q3 2016 provided fewer opportunities to run the thermal units at Huntly, which led to an 18% reduction in thermal generation to 1,060GWh compared with Q3 2015. Around 100,000 tonnes of coal were burnt during Q3, reducing the coal stockpile to 500,086 tonnes at 31 March 2016, 30% lower than a year ago.

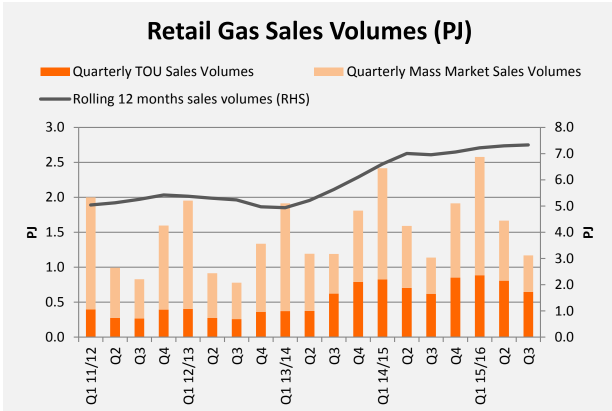
Oil production from the Kupe field during Q3 was up 36% compared to Q2 2016, due to lower production last quarter as a result of a planned outage during the last quarter. Genesis Energy's share of oil production in Q3 was 110kbbl while gas sales of 1.9PJ were 8% lower, and LPG sales of 7.6kt were 5% lower than a year ago. Year to date oil sales were 291kbbl, which was 23% lower than the first nine months of FY2015.

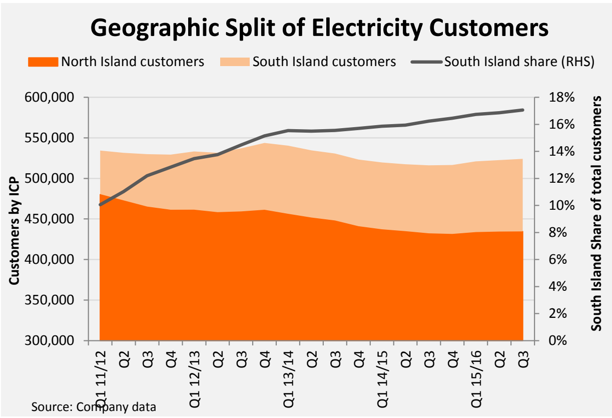
There were no lost time injures in Q3 compared to one injury in Q2 2016. The Total Recordable Injury Frequency Rate (TRIFR) at 31 March 2016 was 3.09 (versus 1.14 at 31 March 2015), mainly due to three lost time injuries and three medically treated injuries during the preceding 12 months. There were 856 full time equivalent employees at the end of Q3 versus 901 at 31 March 2015.

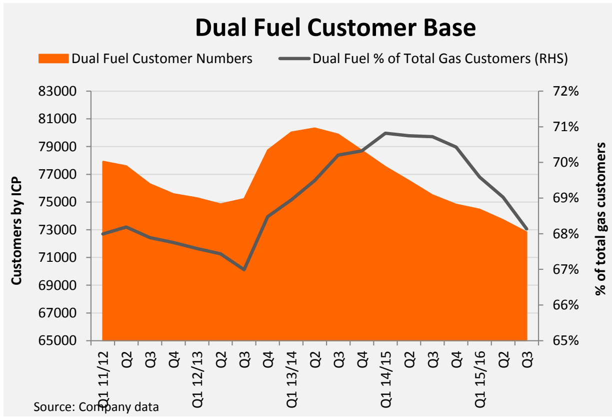

Electricity Customers and Market Share
Customer Numbers
Share of Total Market (RHS)
Customers by ICP
Market Share
Source: Company data, Electricity Authority

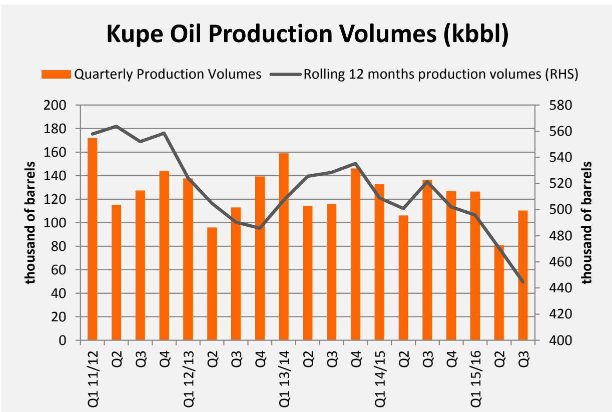

Natural Gas Customers and Market Share
Customer Numbers
Share of Total Market (RHS)
Customers by ICP
Market Share
Source: Company data, Gas Industry Co

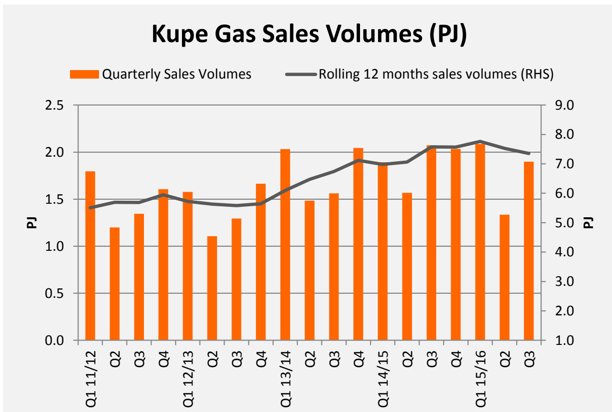

Electricity Sales Volumes (GWh)
Quarterly TOU Sales Volumes
Quarterly Mass Market Sales Volumes
Rolling 12 months sales volumes (RHS)
GWh

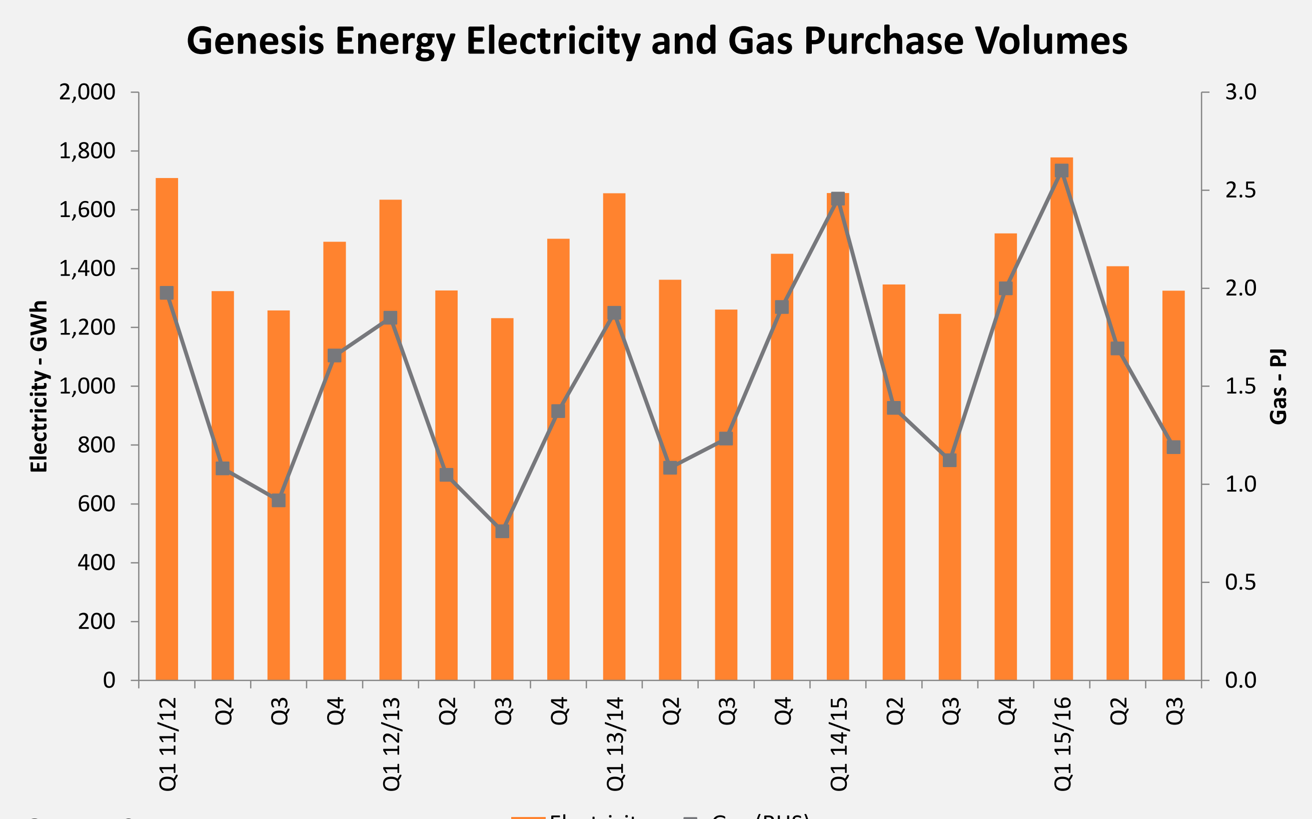

Retail Gas Sales Volumes (PJ)
Quarterly TOU Sales Volumes
Quarterly Mass Market Sales Volumes
Rolling 12 months sales volumes (RHS)
PJ


Geographic Split of Electricity Customers
North Island customers
South Island customers
South Island share (RHS)
Customers by ICP
South Island Share of total customers
Source: Company data

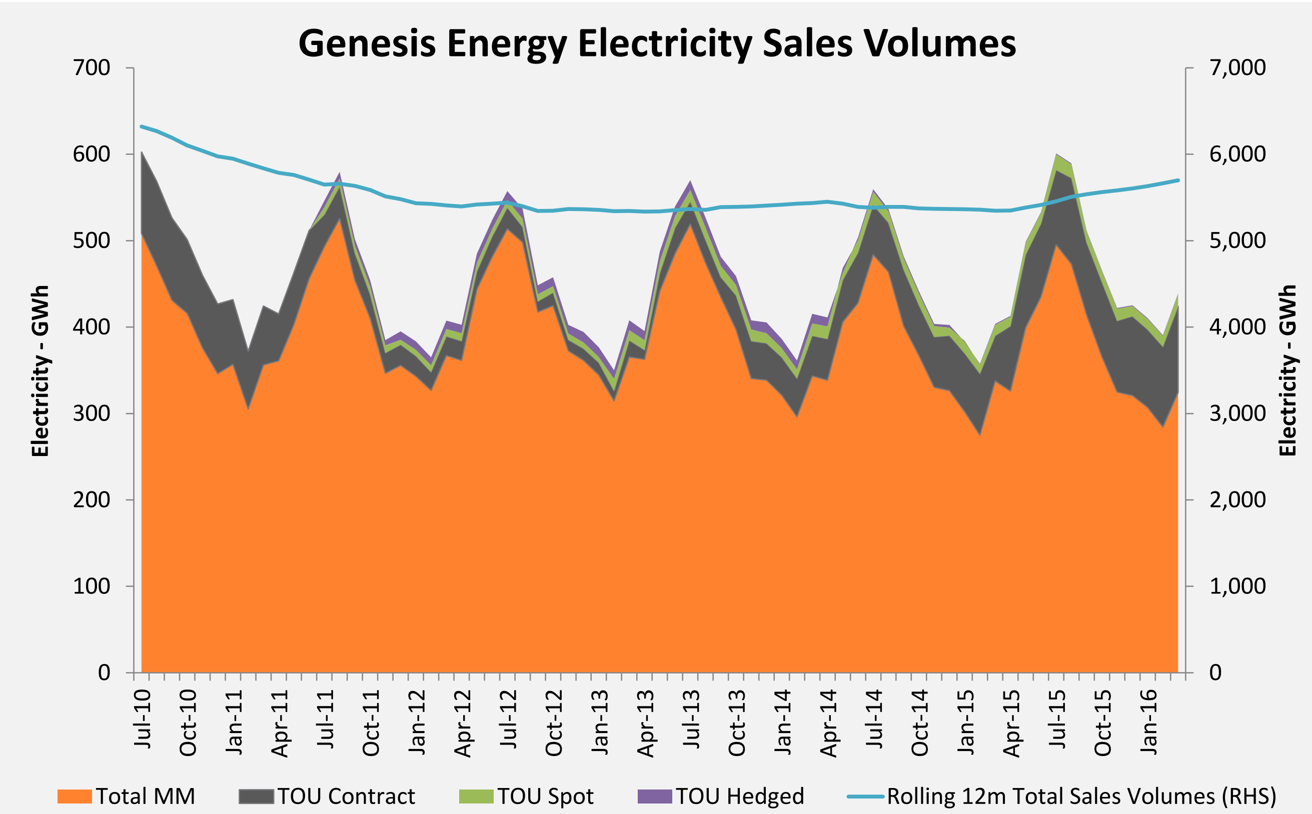

Dual Fuel Customer Base
Dual Fuel Customer Numbers
Dual Fuel % of Total Gas Customers (RHS)
Customers by ICP
% of total gas customers
Source: Company data


Kupe Oil Production Volumes (kbbl)
Quarterly Production Volumes
Rolling 12 months production volumes (RHS)
thousand of barrels

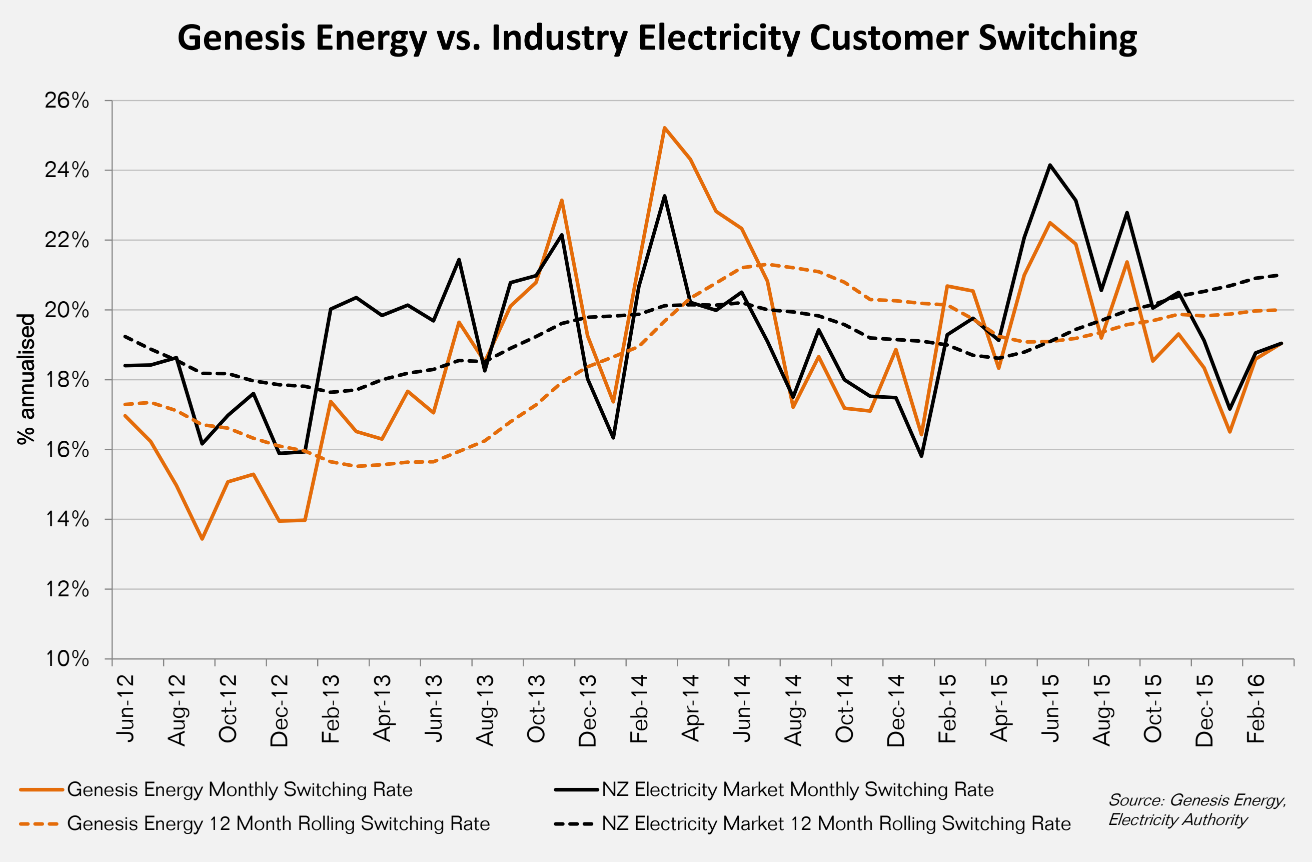

Kupe Gas Sales Volumes (PJ)
Quarterly Sales Volumes
Rolling 12 months sales volumes (RHS)
PJ

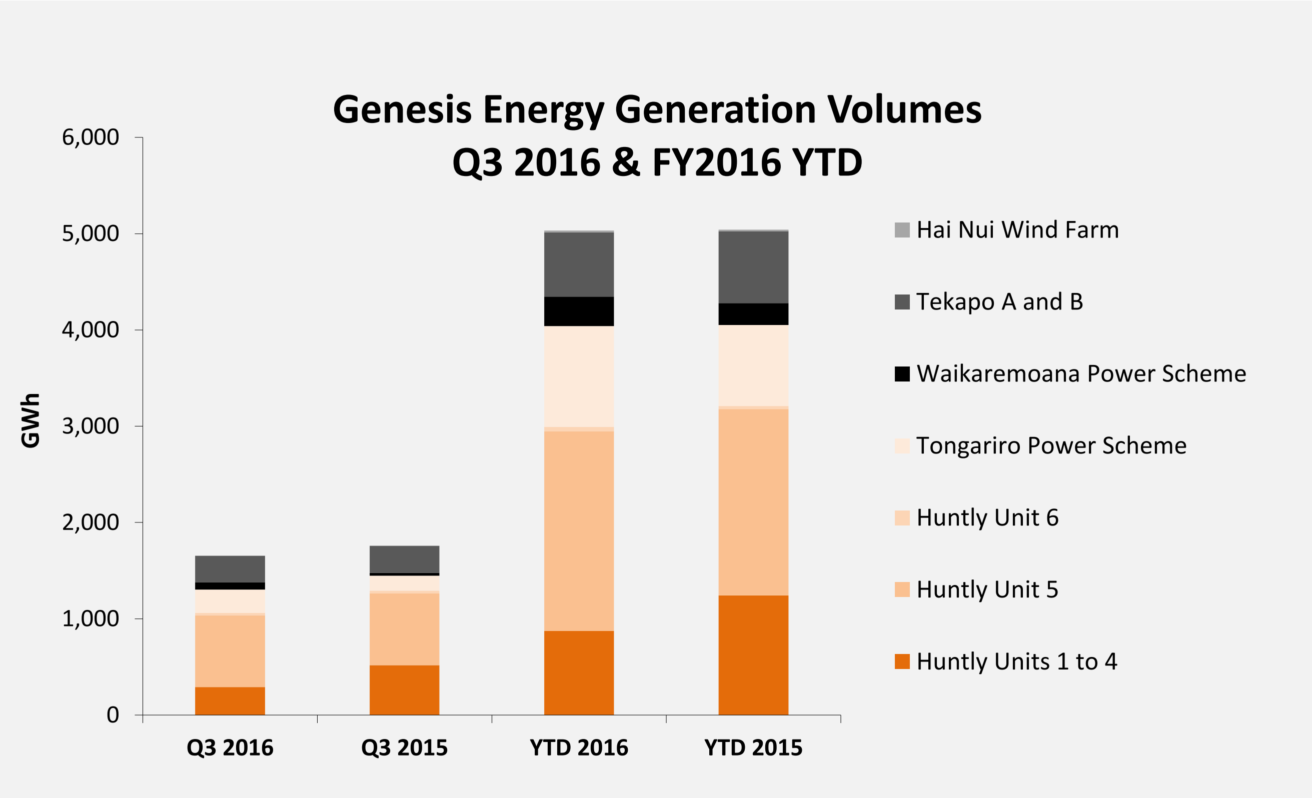


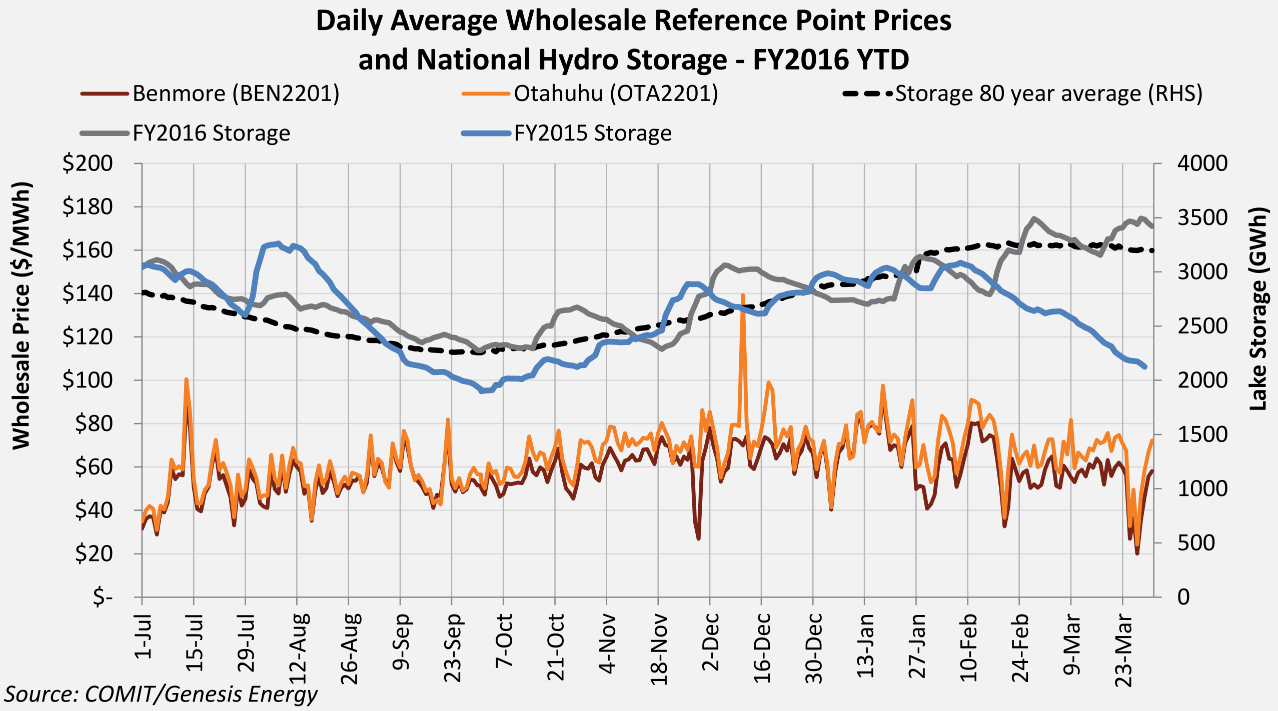
Source: Genesis Energy



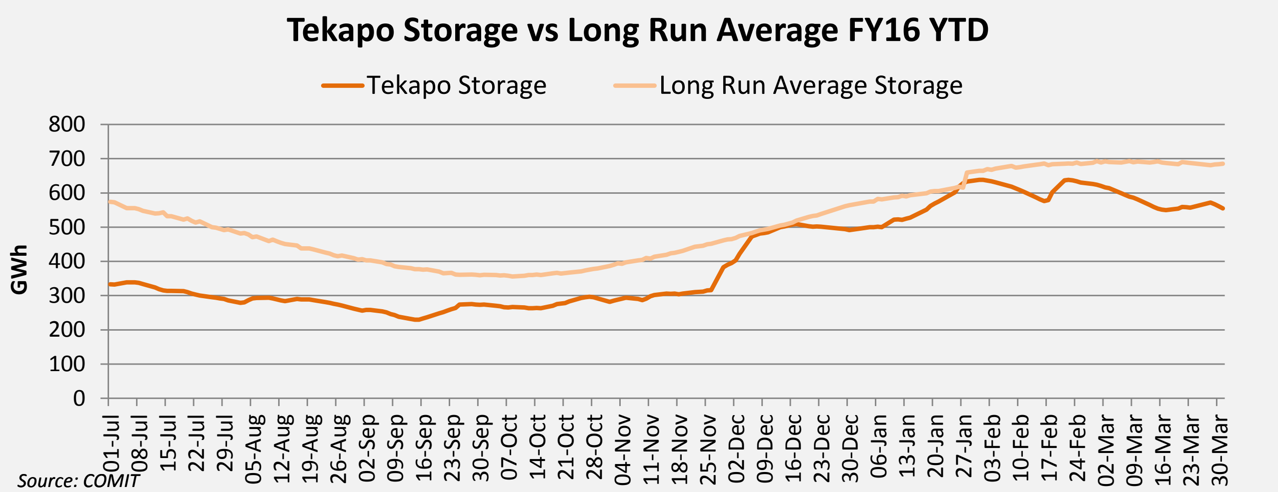
Source: Genesis Energy


Genesis Energy vs. Industry Electricity Customer Switching
26%
24%
22%
20%
18%
16%
14%
12%
10%
% annualised
Jun-12
Aug-12
Oct-12
Dec-12
Feb-13
Apr-13
Jun-13
Aug-13
Oct-13
Dec-13
Feb-14
Apr-14
Jun-14
Aug-14
Oct-14
Dec-14
Feb-15
Apr-15
Jun-15
Aug-15
Oct-15
Dec-15
Feb-16
Genesis Energy Monthly Switching Rate
Genesis Energy 12 Month Rolling Switching Rate
NZ Electricity Market Monthly Switching Rate
NZ Electricity Market 12 Month Rolling Switching Rate
Source: Genesis Energy, Electricity Authority

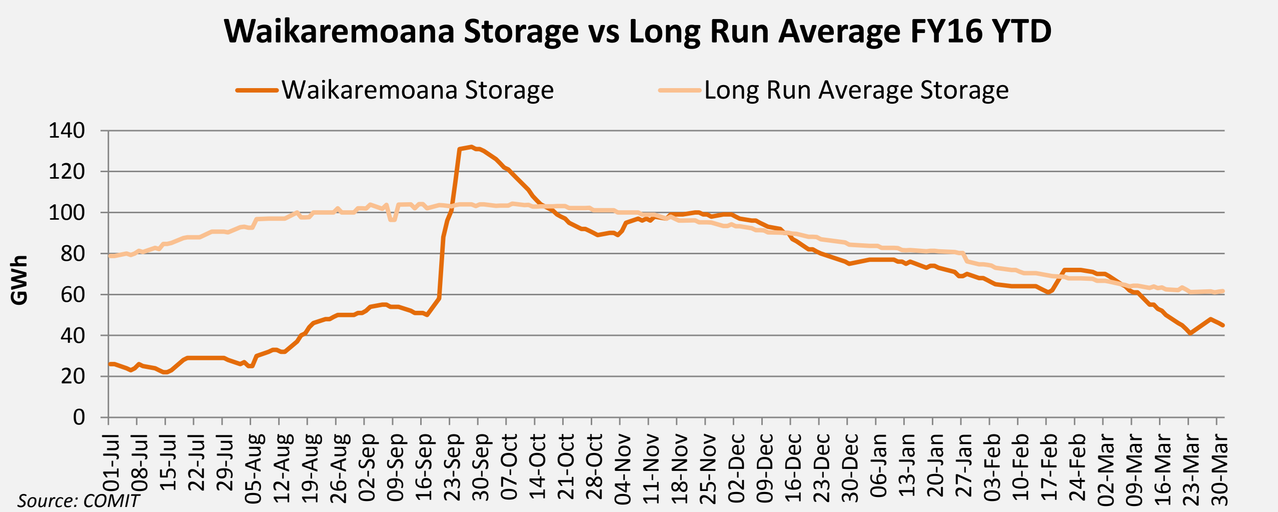

Genesis Energy Generation Volumes
Q3 2016 & FY2016 YTD
6,000
5,000
4,000
3,000
2,000
1,000
0
GWh
Q3 2016
Q3 2015
YTD 2016
YTD 2015
Hai Nui Wind Farm
Tekapo A and B
Waikaremoana Power Scheme
Tongariro Power Scheme
Huntly Unit 6
Huntly Unit 5
Huntly Units 1 to 4



Source: COMIT/Genesis Energy



Source: COMIT



Source: COMIT

APPENDIX
OPERATIONAL INFORMATION

Operational Information*	Third Quarter (January to March) 2015/16	2014/15	% Change	Change	Year to Date 2015/16	2014/15	% Change	Change
Market Information								
Customer-focus								
Electricity Market Share (%) [1]	25.8%	25.7%	0.4%	0.1%				
Gas Market Share (%) [1]	39.5%	39.9%	-1.1%	-0.4%				
Customer Experience								
Customer-focus								
Customer Satisfaction (%) [2]	94%	91%	3.3%	3%				
Total Advanced Meters Installed To Date (#)	372,309	366,935	1.5%	5,374				
Customer Numbers								
Total Customer Numbers (#) [3]	655,625	646,463	1.4%	9,162				
Total Customers by Product:								
Electricity Customers (#) [4]	545,273	536,915	1.6%	8,358				
Electricity Customers Excluding Vacants (#) [4]	524,122	516,167	1.5%	7,955				
Gas Customers (#) [4]	110,352	109,548	0.7%	804				
Gas Customers Excluding Vacants (#) [4]	106,908	106,781	0.1%	127				
LPG Customer Numbers (#) [5]	14,717	13,281	10.8%	1,436				
Total Electricity Customers by Location:								
North Island Electricity Customer Numbers (#) [4]	434,686	432,325	0.5%	2,361				
South Island Electricity Customer Numbers (#) [4]	89,436	87,193	2.6%	2,243				
Customer Volumes and Price								
Volume Weighted Average Electricity Selling Price ($/MWh) [6]	$244.05	$245.37	-0.5%	($1.33)	$237.47	$237.70	-0.1%	($0.22)
Mass Market Electricity Sales (GWh)	916	915	0.1%	1	3,310	3,287	0.7%	22
TOU Electricity Sales (GWh)	324	230	41.2%	95	945	682	38.6%	263
Electricity Sales - Retail (GWh)	1,240	1,144	8.4%	96	4,255	3,970	7.2%	285
Electricity Sales - Wholesale (GWh)	372	382	-2.6%	-10	1,230	1,258	-2.3%	-28
Volume Weighted Average Gas Selling Price ($/GJ) [6]	$37.23	$35.63	4.5%	$1.60	$27.03	$27.57	-1.9%	($0.53)
Mass Market Gas Sales (PJ)	0.5	0.5	1.0%	0.0	3.1	3.0	2.6%	0
TOU Gas Sales (PJ)	0.6	0.6	4.3%	0.0	2.3	2.1	8.9%	0
Retail Gas Sales (PJ)	1.2	1.1	2.8%	0.0	5.4	5.1	5.2%	0.3
Retail LPG Sales (tonnes)	670	599	11.8%	71	2,872	2,543	12.9%	329
Electricity Purchases - Retail (GWh)	1,325	1,246	6.3%	79	4,511	4,249	6.2%	262
Electricity Purchases - Wholesale (GWh)	229	228	0.4%	1	847	843	0.5%	4
Retail Gas Purchases (PJ)	1.2	1.1	6.0%	0.1	5.5	5.0	10.4%	0.5
Average Retail Electricity Purchase Price - LWAP ($/MWh) [7]	$67.70	$93.92	-27.9%	($26.22)	$63.60	$78.75	-19.2%	($15.15)
LWAP/GWAP Ratio (%)	100%	101%	-0.9%	-0.9%	100%	99%	0.4%	0.4%
Energy Management								
Generation								
Gas (GWh)	885	792	11.7%	93	2,361	2,069	14.1%	292
Coal (GWh) [8]	175	500	-65.0%	-325	633	1,141	-44.6%	-509
Total Thermal (GWh)	1,060	1,292	-18.0%	-232	2,993	3,210	-6.8%	-217
Hydro (GWh)	592	465	27.3%	127	2,022	1,816	11.4%	206
Wind (GWh)	6	4	24.7%	1.1	19	16	18.7%	3.0
Total Renewable (GWh)	597	469	27.3%	128	2,041	1,831	11.4%	209
Total Generation (GWh)	1,657	1,761	-5.9%	-103.9	5,034	5,041	-0.1%	-7.4
Generation by Location:								
North Island (GWh)	1,385	1,482	-6.5%	-96	4,365	4,295	1.6%	70
South Island (GWh)	272	279	-2.7%	-7	669	746	-10.4%	-78
Average Price Received for Generation - GWAP ($/MWh) [7]	$67.79	$93.20	-27.3%	($25.41)	$63.75	$79.25	-19.5%	($15.49)
Generation Emissions (ktCO_2)	555	793	-30.0%	-238.1	1,626	1,936	-16.0%	-310.0
Generation Carbon Intensity (tCO_2/GWh)	335	450	-25.6%	-115.4	323	384	-15.9%	-61.0
Fuel								
Gas Purchases (PJ)	11.0	11.9	-7.8%	-0.9	35.3	36.1	-2.2%	-0.8
Coal Purchases (PJ)	0.0	2.2	-100.0%	-2.2	3.0	7.6	-61.4%	-4.7
Wholesale Gas Sales (PJ)	2.8	4.9	-42.4%	-2.1	11.6	15.7	-26.2%	-4.1
Wholesale Coal Sales (PJ)	0.2	0.2	-28.2%	-0.1	0.7	0.4	N/A	0.3
Gas Used In Internal Generation (PJ)	7.0	5.9	18.8%	1.10	18.3	15.5	18.1%	2.8
Coal Used In Internal Generation (PJ) [9]	2.0	5.4	-62.2%	-3.3	7.1	12.5	-43.1%	-5.4
Coal Stockpile - closing balance (kilotonnes)	500.1	715.7	-30.1%	-216				
Kupe Oil and Gas								
Genesis Energy Share								
Gas Sales (PJ)	1.9	2.1	-8.4%	-0.2	5.3	5.5	-3.8%	-0.2
Oil Production (kbbl)	110.3	136.3	-19.1%	-26.0	317.7	375.2	-15.3%	-58
Oil Sales (kbbl)	131.9	141.6	-6.9%	-9.7	290.5	375.0	-22.5%	-85
LPG Sales (kilotonnes)	7.6	8.1	-5.3%	-0.4	21.7	23.3	-6.6%	-1.5

Notes:

[1] March 2015 and 2016 market shares based on published customer records from the Electricity Authority and Gas Industry Company

[2] Based on the survey question: "Overall, how satisfied are you with the customer service you have received from Genesis Energy where 1 is very dissatisfied and 10 is very satisfied?". Survey started in October 2013

[3] Based on Genesis Energy customer records. Includes vacant accounts. Excludes LPG customers. Electricity and gas customers are defined by number of connections.

[4] Electricity and gas customers are defined by number of connections (ICP).

[5] LPG customers are defined by number of customers

[6] Average selling price for mass market customers including lines/transmission and distribution and after prompt payment discount

[7] Excludes settlements from electricity derivatives.

[8] Coal generation is calculated by applying coal burn to monthly average heat rates

[9] Results have been revised to reflect changes in coal kilotonnes to PJ conversion rate and volume methodology