



MARKET RELEASE

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FY19 Q2 PERFORMANCE REPORT

Genesis Energy today released to the NZX/ASX its FY19 Q2 Performance Report for the three months ended 31 December 2018. The report is available from the Genesis Energy page at www.nzx.com or <https://www.genesisenergy.co.nz/investors/reports-and-presentations#quarterly>.

FY19 Q2 Performance Summary

CUSTOMER

Genesis continued to invest in loyalty, customer service and product innovation in the quarter with Brand NPS up 6 ppts to 8% versus the same time last year, churn down to 17% and dual fuel customer numbers steadily increasing. Netback margins were up for Electricity and LPG but down for Gas due to timing of price increases. Notable product campaigns include Bottle Gas Monitoring focused on the Christchurch area and the Dual Fuel "Get it all when you go all in" campaign. Energy IQ also incorporated Gas into the Energy Mix and Home Comparison tools for the first time last quarter.

WHOLESALE

The unprecedented gas and hydro shortage in the quarter resulted in Genesis running two dual fuel Rankine units at Huntly on coal for long periods. The 5-week planned 400 MW CCGT outage at Huntly also contributed to a tight market, with Genesis managing risk to its own portfolio through advanced hedging strategies. Consequently, other market participants called on Genesis for energy and coal had to be imported to supplement local supplies. Genesis has successfully demonstrated the importance and value of its fuel diversity as well as a flexible supply chain throughout a volatile market period.

KUPE

Scheduled statutory maintenance, coinciding with Huntly U5 outage, reduced production at Kupe for the quarter with gas production down 12% versus the same time last year, and corresponding impacts on LPG and oil production. LPG yields were up 2.5% whilst oil yield was down due to the natural decline in the field. Oil sales were down 47% versus the prior comparable period due to the timing of shipments and reduced field production.

"Genesis' generation portfolio responded well to a fuel constrained wholesale market demonstrating the importance and value of fuel diversity coupled with a flexible supply chain during volatile market conditions" said Tracey Hickman, Executive General Manager – Generation & Wholesale.

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About Genesis Energy

Genesis Energy (NZX: GNE, ASX: 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 500,000 customers. 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 46% interest in the Kupe Joint Venture, which owns the Kupe Oil and Gas Field offshore of Taranaki, New Zealand. Genesis Energy had revenue of \$NZ2.3bn during the 12 months ended 30 June 2018. More information can be found at www.genesisenergy.co.nz