

NZX Announcement

14 July 2016

For Immediate Release

FOURTH QUARTER, FINANCIAL YEAR TO 30 JUNE 2016

NZ Windfarms Limited ("NWF") advises the following operating statistics:

Fourth Quarter – 1 April 2016 to 30 June 2016

	<u>2016</u>	<u>2015</u>	<u>% Change</u>
Electricity generation output - MWh	31,165	31,422	-0.8
Revenue from electricity sales - \$	1,560,000	1,577,000	-1.1
Average electricity price - \$/MWh	50.06	50.19	-0.3
Turbine availability (average)	94.8%	97.0%	-2.2

Financial year – 1 July 2015 to 30 June 2016

	<u>2016</u>	<u>2015</u>	<u>% Change</u>
Electricity generation output - MWh	129,572	122,975	+5.4
Revenue from electricity sales - \$	7,174,000	7,657,000	-6.3
Average electricity price - \$/MWh	55.37	62.26	-11.1
Turbine availability (average)	96.2%	96.5%	-0.3

The performance of NWF is strongly influenced by wind conditions and electricity prices, which are both subject to natural variability and thus beyond NZ Windfarms' control. Modeling and forecasting is based on appropriate long-term averages.

NWF's revenue from electricity sales reduced by 6.3 per cent to \$7.174 million in FY16. The output of the turbine fleet, at 129,572MWh, was 5.4 per cent higher than in the previous corresponding period ("PCP") and just below the long-term forecast of 130,000MWh. The average electricity price received in FY16 of \$55.37/MWh was 11.1 per cent lower than for the PCP.

The output for the fourth quarter, of 31,165MWh, was 0.8 per cent lower than for the PCP but well above the 28,210MWh forecast for the period. The average wholesale electricity price received for the quarter was 0.3 per cent lower than for the PCP. Revenue from electricity sales for the fourth quarter was therefore 1.1 per cent lower than for the PCP.

Benefits from the programs in place to address equipment failures, and the robust scheduled maintenance cycle, held turbine availability for the financial year above forecast, at 96.2 per cent. The 94.8 per cent availability level for the fourth quarter was lower than that achieved in the PCP, although just below the long-term forecast of 95.0 per cent. The availability level achieved for the full year reflects the continued excellent performance by our on-site operations team despite the ongoing program to refurbish key components, particularly gearboxes.

ENDS

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