

# Q4

## QUARTERLY PERFORMANCE



### Q4 2014 MARKET AND OPERATIONAL INFORMATION

*This disclosure includes market and operational information for Genesis Energy Limited, for the quarter ending 30 June 2014 ("Q4").*

↓ 3%

Q4 retail electricity sales volumes down 3% on pcp

↑ 55%

Q4 TOU electricity sales volumes up 55% on pcp

99%

LWAP/GWAP ratio of 99% in Q4 versus 103% in Q4 2013

↑ 5%

Q4 oil production volumes from Kupe up 5% on pcp to 146kbbbl.

### Genesis Energy's Q4 2014 operational performance was supported by increased Time of Use (TOU) electricity and gas sales, plus increased oil and gas production from Kupe.

This helped to offset the impact of electricity generation volumes which were lower than in Q4 2013, due to significant rainfall events from mid-April and the corresponding lower wholesale electricity prices. The warmest June on record also reduced household demand for electricity.

Total retail electricity sales volumes were down 3% to 1,378 GWh in Q4, reflecting a 9% decrease in mass market volumes, more than offsetting a 55% increase in TOU volumes versus Q4 2013. TOU customers accounted for 15% of the total electricity sales in Q4, compared to 9% a year earlier. Warmer temperatures in June 2014 alone contributed to a 12% reduction in electricity demand in mass market customers versus June 2013.

Total retail gas sales of 1.8PJ were 35% higher in Q4 than a year ago due to a 118% increase in TOU gas volumes which now make up approximately 45% of retail gas sales versus 28% in Q4 2013. This reflects a conscious effort by Genesis Energy to increase sales by cross-selling electricity and gas to TOU customers.

At 30 June 2014 Genesis Energy had 523,278 electricity and 111,966 gas customers, which was 4% and 3% lower than at the end of June 2013, respectively, reflecting increased competition for electricity customers and the growth of a number of niche retailers. Average electricity switching rates in Q4 were 23.2% for Genesis Energy versus 20.2% for the wider industry.

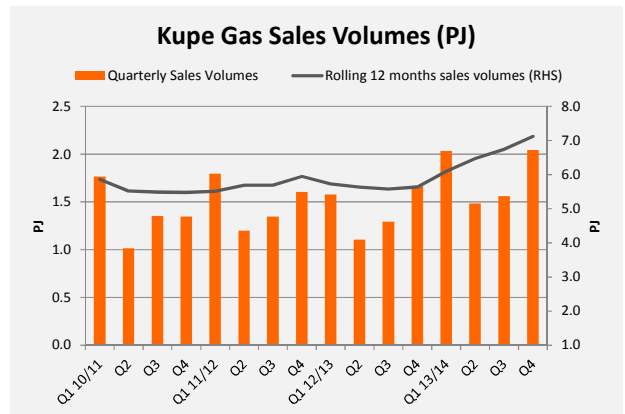
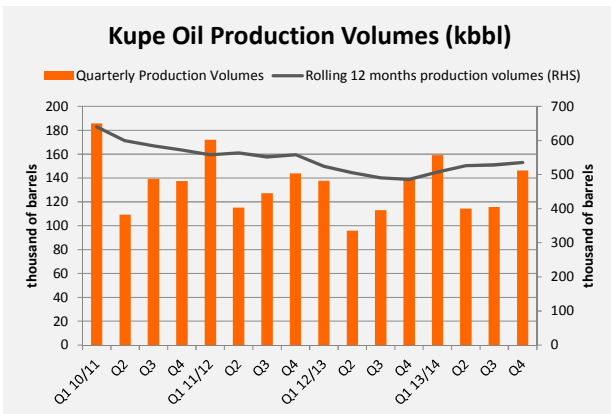
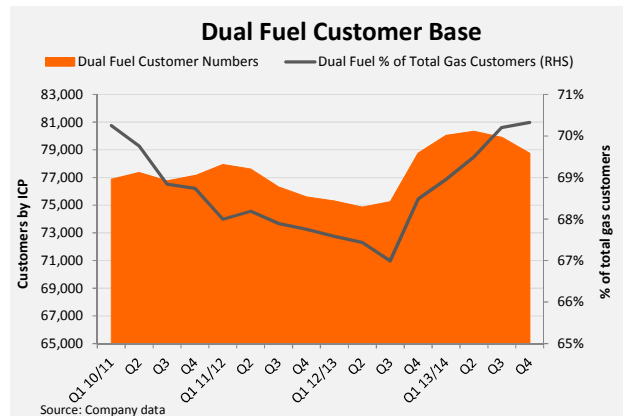
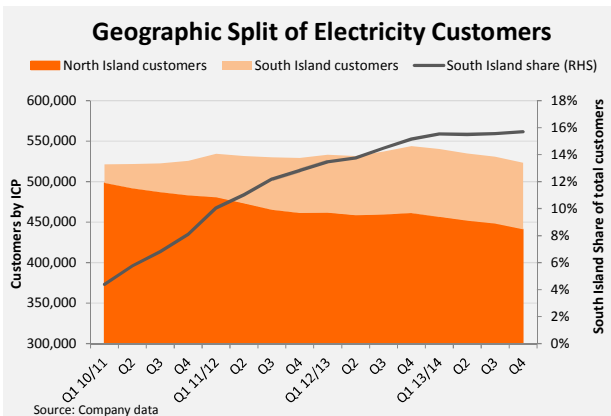
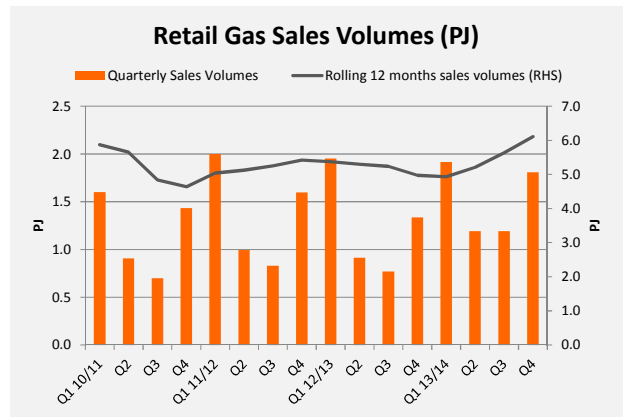
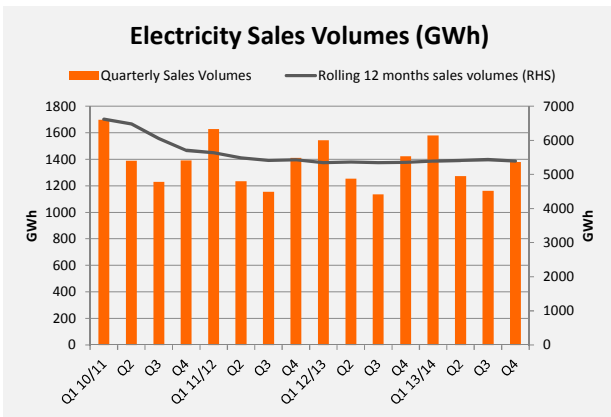
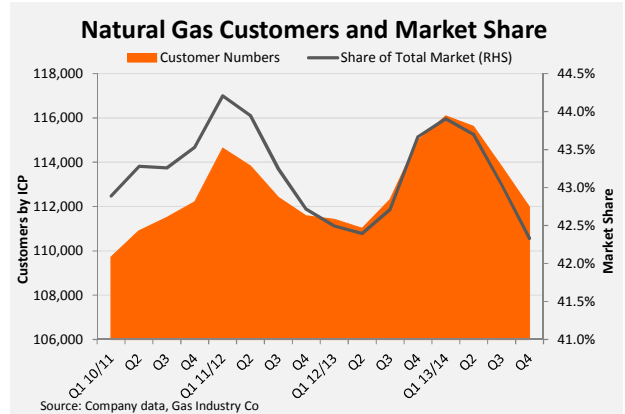
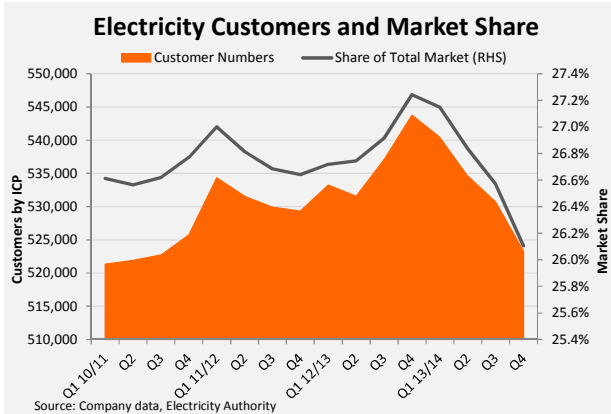
A dry sequence early in Q4 quickly reversed in mid-April due to significant rainfall events in the South Island, returning national hydro storage back to long run average levels by mid-May. Coupled with unseasonably warm weather, this led to a sharp reduction in the wholesale electricity price from mid-April to the end of June 2014. The time weighted average price at the Huntly node in Q4 of \$70.90/MWh was 8% lower than Q4 2013. The FY2014 average price of \$69.69/MWh was 5% lower than FY2013.

Electricity prices in turn affected the level and type of generation. Total generation of 1,848 GWh was 12% lower than in Q4 2013, with coal-fired generation down 53% to 372 GWh and gas-fired generation down 7% to 752 GWh. Conversely with abundant water and lower wholesale prices, the hydro fleet was run harder with a 46% increase in generation to 719 GWh, contributing 39% of total generation versus 23% in Q4 2013.

The lower wholesale prices provided Genesis Energy the opportunity to purchase electricity for its customers at lower prices than it received for generating electricity. The Load Weighted Average Price of \$72.66/MWh was 11% lower than last year, driving the LWAP/GWAP ratio to 99% for the quarter compared with 103% in Q4 2013.

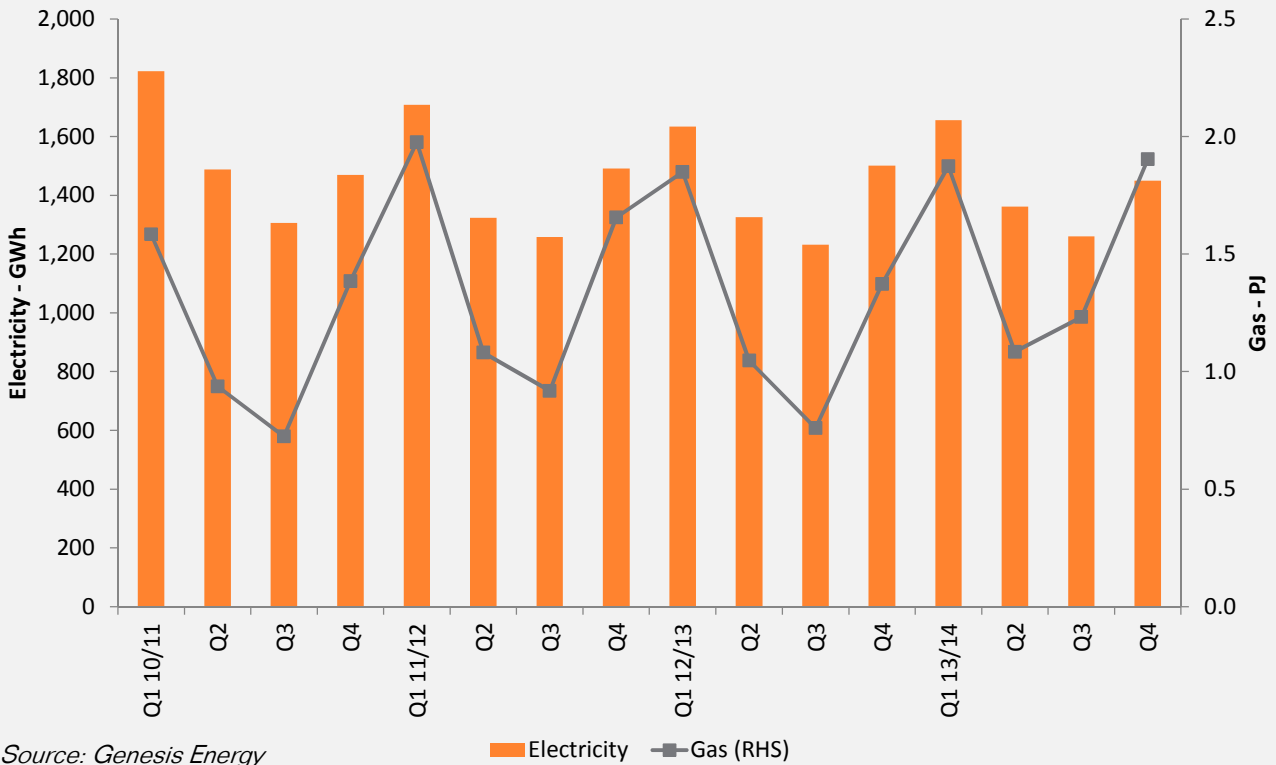
Oil production from the Kupe oil and gas field in Q4 was up 5% on Q4 2013 to 146kbbbl, taking advantage of higher oil prices. Gas sales volumes increased 23% in Q4 to 2PJ and LPG sales were up 18% versus Q4 2013.

There were no lost time injuries or serious incidents in Q4. The Total Recordable Injury Frequency Rate (TRIFR) for the quarter was zero (versus zero for Q4 2013). There were 905 full time equivalent employees at 30 June 2014 compared to 972 at the same time last year.



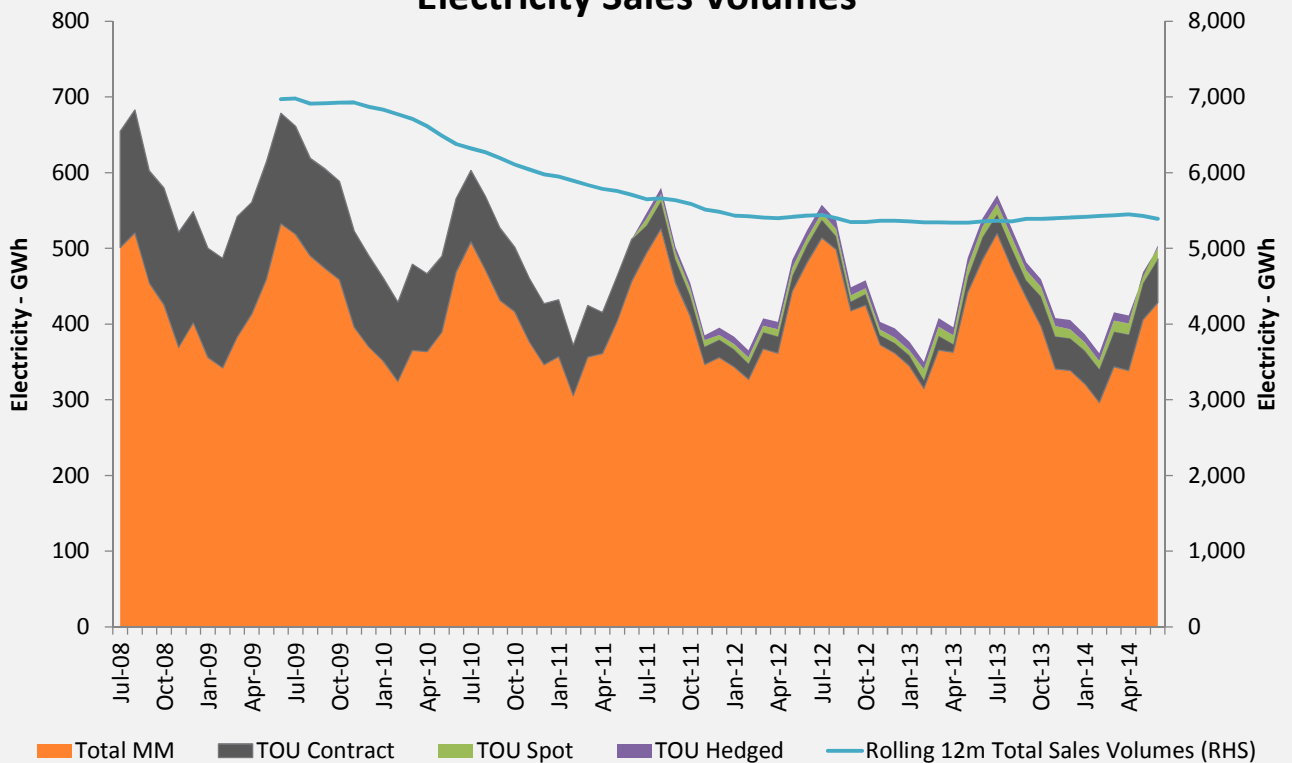


### Electricity and Gas Purchase Volumes



Source: Genesis Energy

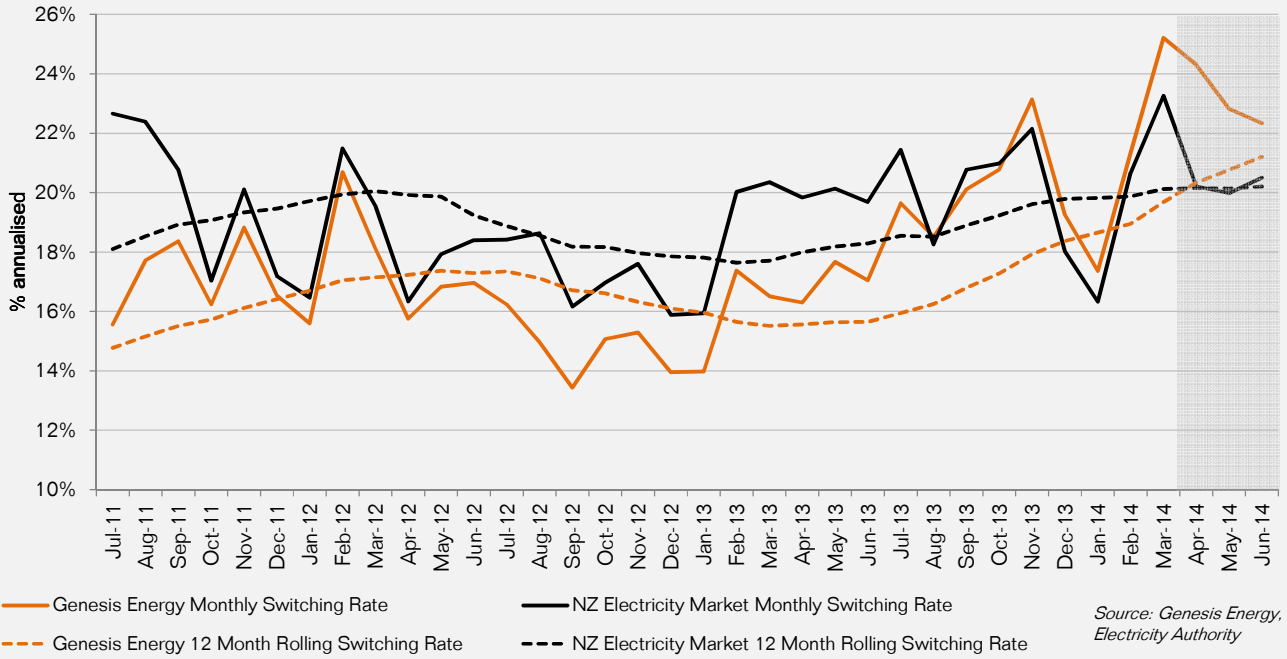
### Electricity Sales Volumes



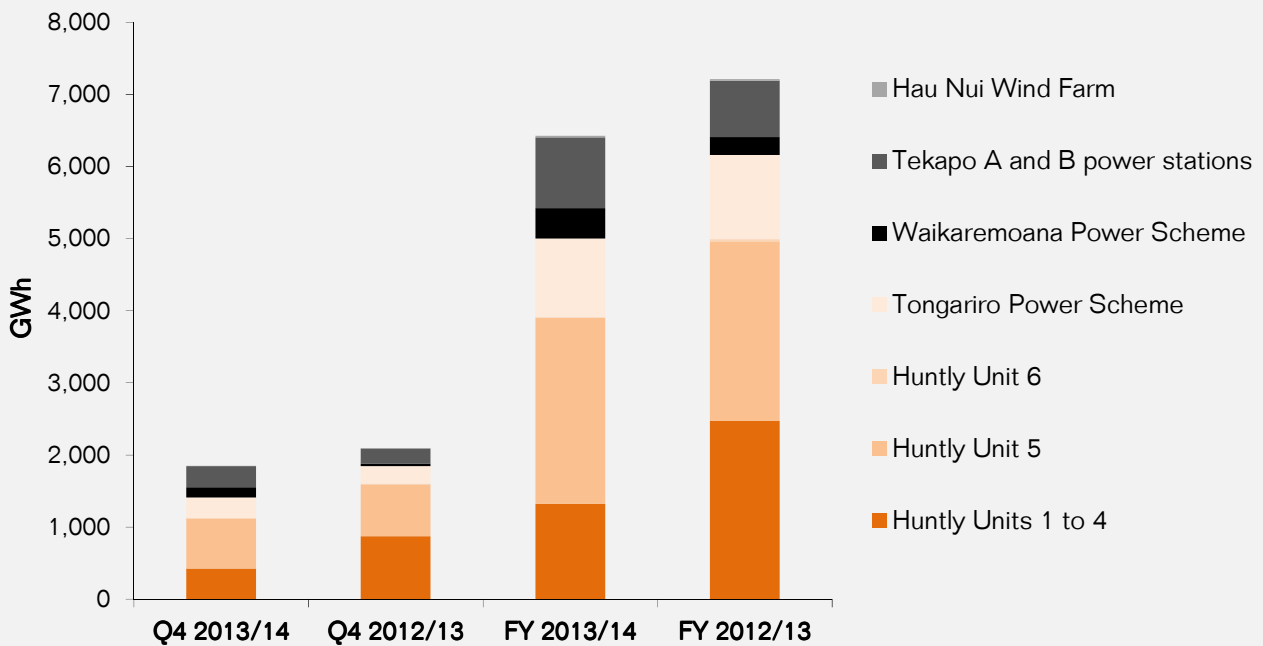
Source: Genesis Energy



### Genesis Energy vs. Industry Electricity Customer Switching

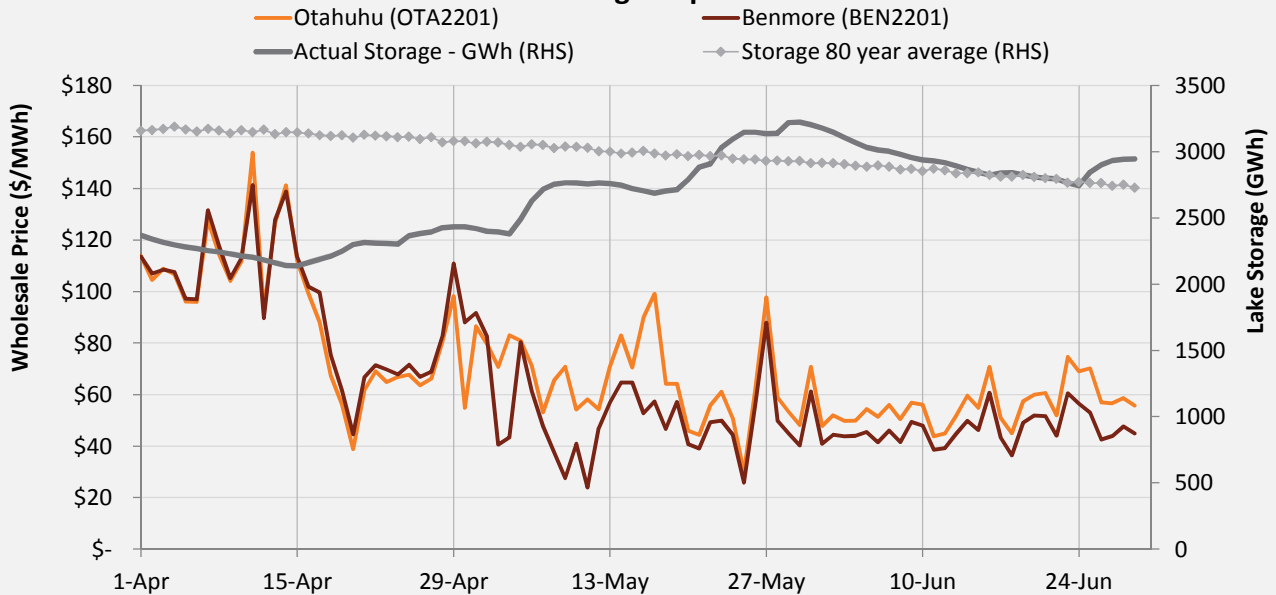


### Genesis Energy Generation - Q4 and FY 2014



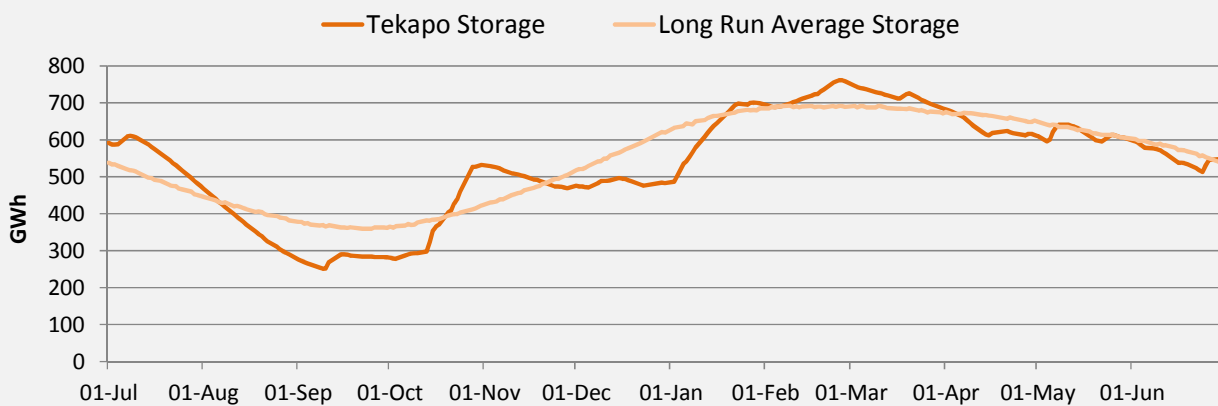


### Daily Average Wholesale Reference Point Prices and Lake Storage - Apr-Jun 2014



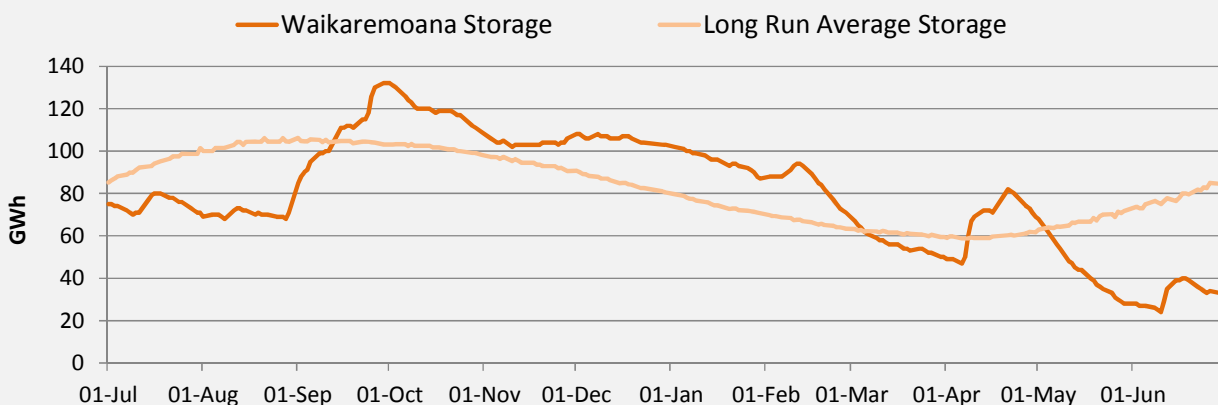
Source: COMIT/Genesis Energy

### Tekapo Storage vs Long Run Average



Source: COMIT

### Waikaremoana Storage vs Long Run Average



Source: COMIT

## APPENDIX A OPERATIONAL INFORMATION

### Operational Information

Genesis Energy Operational Information*	Fourth Quarter (April to June)				Year to Date			
	2013/14	2012/13	% Change	Change	2013/14	2012/13	% Change	Change
<b>Market Information</b>								
<b>Customer-focus</b>								
Electricity Market Share (%) <sup>1</sup>	26.1%	27.2%	-4.2%	-1.1%				
Gas Market Share (%) <sup>1</sup>	42.3%	43.7%	-3.1%	-1.3%				
<b>Customer Experience</b>								
<b>Customer-focus</b>								
Customer Satisfaction (%) <sup>2</sup>	88.0%	94.0%	-6.4%	-6.0%				
Total Advanced Meters Installed During Period (#)	1,955	15,027	-87.0%	-13,072	40,888	60,046	-31.9%	-19,158
Total Advanced Meters Installed To Date (#)	367,882	327,721	12.3%	40,161				
<b>Customer Numbers</b>								
Total Customer Numbers (#) <sup>3</sup>	657,791	681,079	-3.4%	-23,288				
<i>Total Customers by Product:</i>								
Electricity Customers (#) <sup>4</sup>	543,707	564,997	-3.8%	-21,290				
Electricity Customers Excluding Vacants (#) <sup>4</sup>	523,278	543,774	-3.8%	-20,496				
Gas Customers (#) <sup>4</sup>	114,084	116,082	-1.7%	-1,998				
Gas Customers Excluding Vacants (#) <sup>4</sup>	111,966	115,003	-2.6%	-3,037				
LPG Customer Numbers (#) <sup>5</sup>	11,803	9,708	21.6%	2,095				
<i>Total Electricity Customers by Location:</i>								
North Island Electricity Customer Numbers (#) <sup>4</sup>	441,107	461,370	-4.4%	-20,263				
South Island Electricity Customer Numbers (#) <sup>4</sup>	82,171	82,404	-0.3%	-233				
<b>Customer Volumes and Price</b>								
Mass Market Electricity Sales (GWh)	1,172	1,289	-9.1%	-117	4,638	4,902	-5.4%	-264
TOU Electricity Sales (GWh)	205	133	54.7%	73	754	452	66.7%	302
Electricity Sales - Retail (GWh)	1,378	1,422	-3.1%	-44	5,391	5,354	0.7%	37
Electricity Sales - Wholesale (GWh)	580	875	-33.7%	-295	2,125	2,705	-21.4%	-580
Retail Gas Sales (PJ)	1.8	1.3	35.4%	0.5	6.1	5.0	22.7%	1.1
Retail LPG Sales (tonnes)	889	721	23.2%	167	3,018	2,445	23.4%	573
Electricity Purchases (GWh)	1,450	1,502	-3.4%	-52	5,729	5,693	0.6%	36
Retail Gas Purchases (PJ)	1.9	1.4	38.6%	0.5	6.1	5.0	21.2%	1.1
Average Retail Electricity Purchase Price - LWAP (\$/MWh) <sup>6</sup>	\$72.66	\$81.89	-11.3%	(\$9.22)	\$69.80	\$76.88	-9.2%	(\$7.08)
LWAP/GWAP Ratio (%)	99%	103%	-3.8%	-3.9%	99%	102%	-2.7%	-2.7%
<b>Energy Management</b>								
<b>Generation</b>								
Gas (GWh)	752	808	-7.0%	-57	2,930	2,732	7.2%	198
Coal (GWh)	372	790	-52.9%	-418	977	2,259	-56.7%	-1,282
Total Thermal (GWh)	1,124	1,599	-29.7%	-475	3,907	4,991	-21.7%	-1,084
Hydro (GWh)	719	491	46.5%	228	2,497	2,200	13.5%	297
Wind (GWh)	5	5	10.0%	0.5	23	21	8.8%	1.9
Total Renewable (GWh)	724	495	46.1%	229	2,520	2,221	13.4%	299
Total Generation (GWh)	1,848	2,094	-11.8%	-246.2	6,427	7,212	-10.9%	-785.1
<i>Generation by Location:</i>								
North Island (GWh)	1,556	1,883	-17.4%	-327	5,448	6,431	-15.3%	-984
South Island (GWh)	292	211	38.2%	81	979	781	25.4%	198
Average Price Received for Generation - GWAP (\$/MWh) <sup>6</sup>	\$73.26	\$79.43	-7.8%	(\$6.17)	\$70.53	\$75.60	-6.7%	(\$5.07)
Generation Emissions (ktCO <sub>2</sub> )	668	1,102	-39.4%	-434.4	2,183	3,329	-34.4%	-1,146.4
Generation Carbon Intensity (tCO <sub>2</sub> /GWh)	361	526	-31.3%	-165.0	340	462	-26.4%	-122.0
<b>Fuel</b>								
Gas Purchases (PJ)	13.2	11.4	16.2%	1.8	45.0	38.6	16.5%	6.4
Coal Purchases (PJ)	2.6	6.0	-55.9%	-3.3	12.4	21.5	-42.4%	-9.1
Wholesale Gas Sales (PJ)	5.6	3.8	46.3%	1.8	15.8	12.6	25.7%	3.2
Wholesale Coal Sales (PJ)	0.0	0.0	N/A	0.0	0.0	1.3	-100.0%	-1.3
Gas Used In Internal Generation (PJ)	5.7	6.2	-7.3%	-0.45	23.1	21.0	9.9%	2.1
Coal Used In Internal Generation (PJ) <sup>7</sup>	4.0	8.5	-52.5%	-4.4	10.6	24.2	-56.1%	-13.6
Coal Stockpile - closing balance (kilotonnes)	958	877	9.2%	81				
<b>Kupe Oil and Gas</b>								
<b>Genesis Energy Sales Share</b>								
Gas Sales (PJ)	2.0	1.7	22.8%	0.4	7.1	5.6	26.2%	1.5
Oil Production (kbbbl)	146.2	139.3	4.9%	6.9	535.3	485.8	10.2%	49
Oil Sales (kbbbl)	174.3	172.8	0.9%	1.6	531.5	509.1	4.4%	22
LPG Sales (kilotonnes)	9.3	7.8	18.3%	1.4	29.8	24.0	24.5%	5.9

#### Notes:

<sup>1</sup> June 2013 and 2014 market shares based on published customer records from the Electricity Authority and Gas Industry Company

<sup>2</sup> 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".

<sup>3</sup> Based on Genesis Energy customer records. Includes vacant accounts. Excludes LPG customers. Electricity and gas customers are defined by number of connections.

<sup>4</sup> Electricity and gas customers are defined by number of connections (ICP).

<sup>5</sup> LPG customers are defined by number of customers

<sup>6</sup> Excludes settlements from electricity derivatives.

<sup>7</sup> Results have been revised to reflect changes in coal kilotonnes to PJ conversion rate and volume methodology