

Q2

QUARTERLY PERFORMANCE



Q2 2016 MARKET AND OPERATIONAL INFORMATION

This disclosure includes market and operational information for Genesis Energy Limited for the quarter ending 31 December 2015 ("Q2").

↑ 5%

Electricity sales volumes were up 5% in Q2 versus Q2 2015

↓ 13%

Average wholesale electricity price of \$61.43/MWh was down 13% on Q2 2015

↓ 31%

The coal stockpile at Huntly was 31% lower at 600,441 tonnes

↑ 10%

Thermal generation was up 10% versus Q2 2015

Continued growth in electricity customers and increased generation output, but reduced Kupe production

A continued focus on delivering smart, simple services and attractive offers for customers helped Genesis Energy grow its electricity customer numbers and total retail sales volumes. Thermal generation increased to take advantage of firmer wholesale electricity prices later in the quarter, while renewable generation benefitted from improved hydro storage in Lakes Tekapo and Waikaremoana.

At 31 December 2015 Genesis Energy had 522,586 electricity customers, a 0.3% increase in the last three months and a 1.0% improvement over 31 December 2014. This reflects growth in customers specifically for the Energy Online brand and an overall reduction in switching rates, while Genesis Energy customer numbers are flat over the last three months. The overall rolling 12 month switching rate of 19.8% for Genesis Energy is now 0.7% points lower than that of the broader electricity market.

Total electricity volumes sold in Q2 of 1,313GWh were 5% higher than Q2 2015, due to a 35% year on year increase in Time of Use (TOU) volumes offsetting a 1% decline in mass market sales volumes. Year to date FY2016 retail electricity sales volumes are up 7% on H1 2015, with mass market volumes 1% higher.

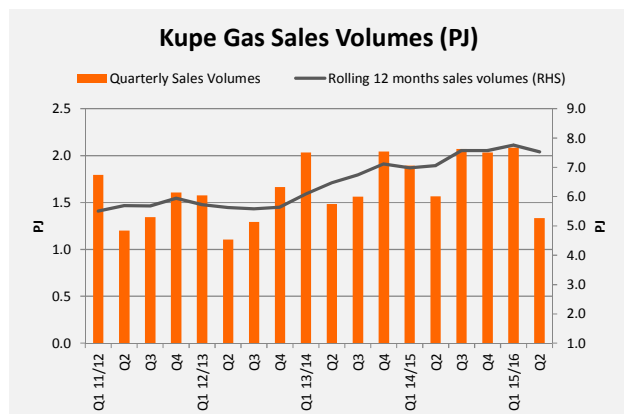
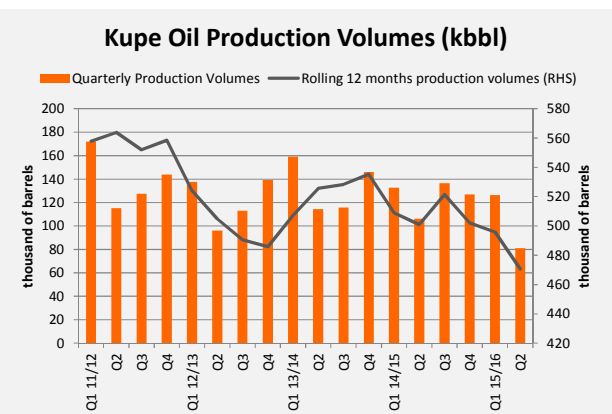
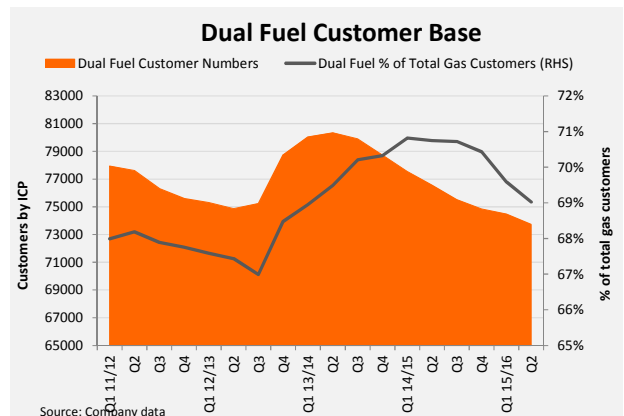
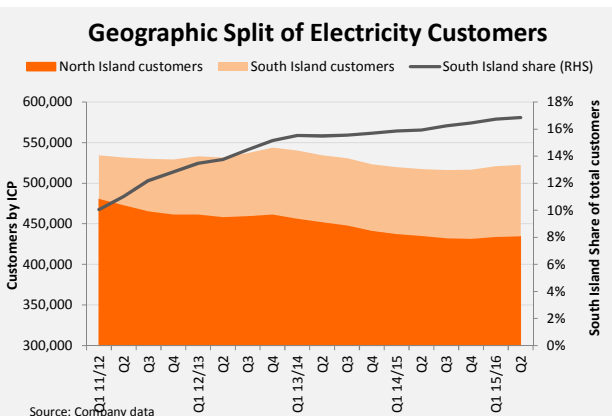
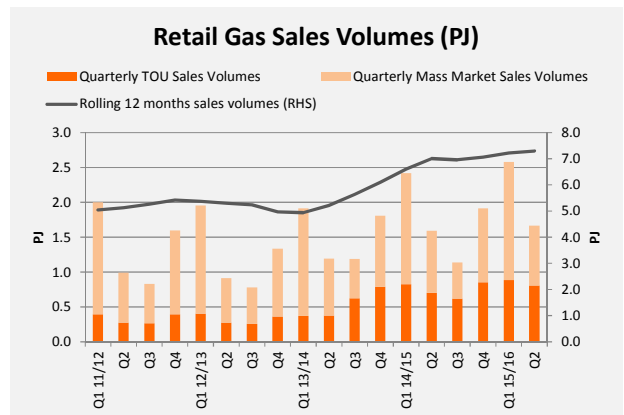
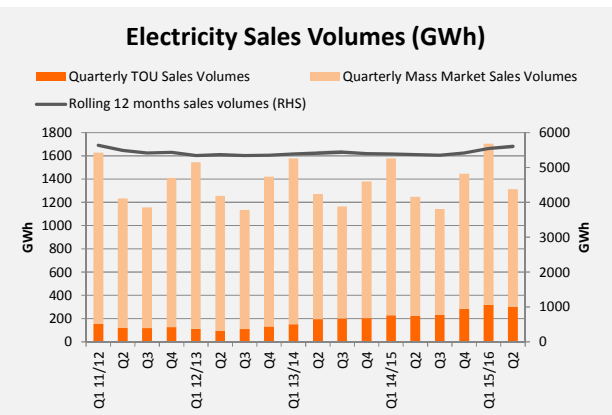
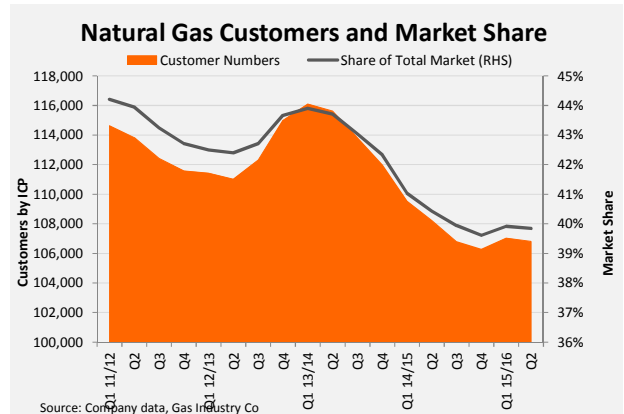
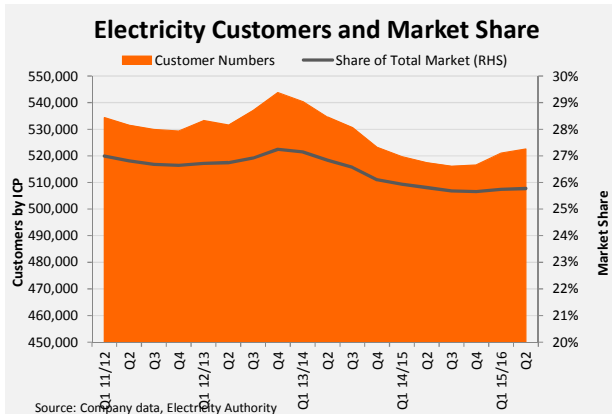
Genesis Energy had 106,809 gas customers at 31 December 2015 which was an increase of 546 ICPs in the last three months, but represents a 1% decline on the same period last year. Total retail gas sales volumes were up 5% in Q2 versus Q2 2015, driven by a 15% increase in Q2 TOU gas sales volumes. FY2016 year to date total gas sales volumes are up 6%, with a 3% increase in mass market sales volumes versus H1 2015 due to a colder than average Q1 2016. LPG sales increased 10% year on year to 883 tonnes, and LPG customers now sit at 14,326, 10% higher than last year.

National hydro storage tracked in line with long run average levels throughout Q2, with the wholesale electricity price averaging 13% lower than Q2 2015 at \$61.43/MWh. Inflows into the Tongariro Power Scheme were below average in Q2, leading to a 13% reduction in generation to 285GWh, while Tekapo A and B, and Waikaremoana generation was up 13% and 52% year on year, respectively.

Wholesale electricity prices firmed in the second half of the quarter due to reductions in national hydro storage, the impact of the Otahuhu B closure and the scheduled December 2015 closure of Southdown. This led to a 10% increase in thermal generation to 1,025GWh in Q2 as the Huntly Rankine Units and Unit 5 were offered long into the spot market in November and December at times when wholesale prices increased. A planned outage of Unit 5 for twelve days in November 2015 was covered by the Rankine units. Over 150,000 tonnes of coal were burnt during Q2, reducing the coal stockpile sat to 600,441 tonnes at 31 December 2015, 31% lower than a year ago.

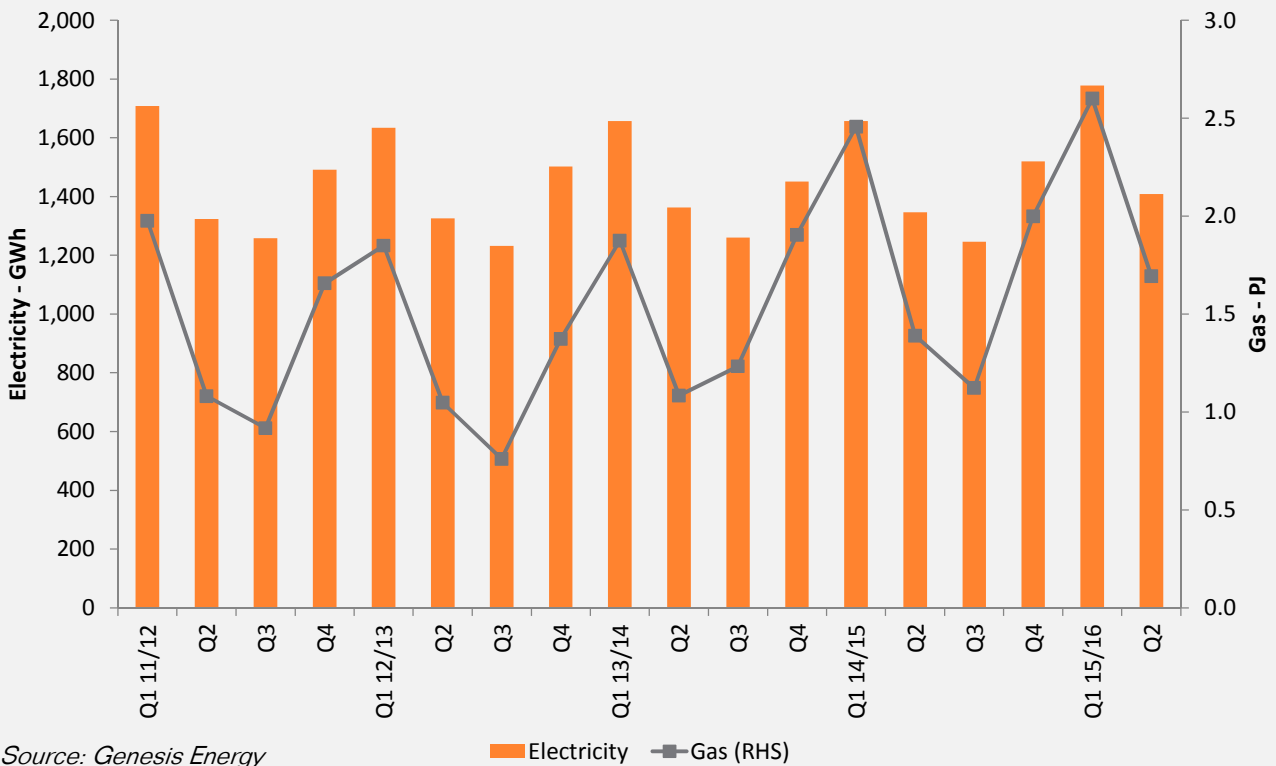
Genesis Energy's share of oil production from the Kupe field in Q2 was 81kbbbl, 24% lower than Q2 2015 due to a planned facility outage to coincide with Unit 5's outage. For the same reason Kupe gas sales of 1.3PJ were 15% lower and LPG sales of 5,700 tonnes were 19% lower. Oil sales of 57kbbbl were down 65% year on year due to only one shipment being made during Q2, in November 2015.

The Total Recordable Injury Frequency Rate at 31 December 2015 was 4.28 (versus 0.54 at 31 December 2014 and 2.46 three months earlier). This resulted from two medically treated injuries and one lost time injury in Q2. There were 860 full time equivalent employees at the end of Q2 compared to 890 a year ago.



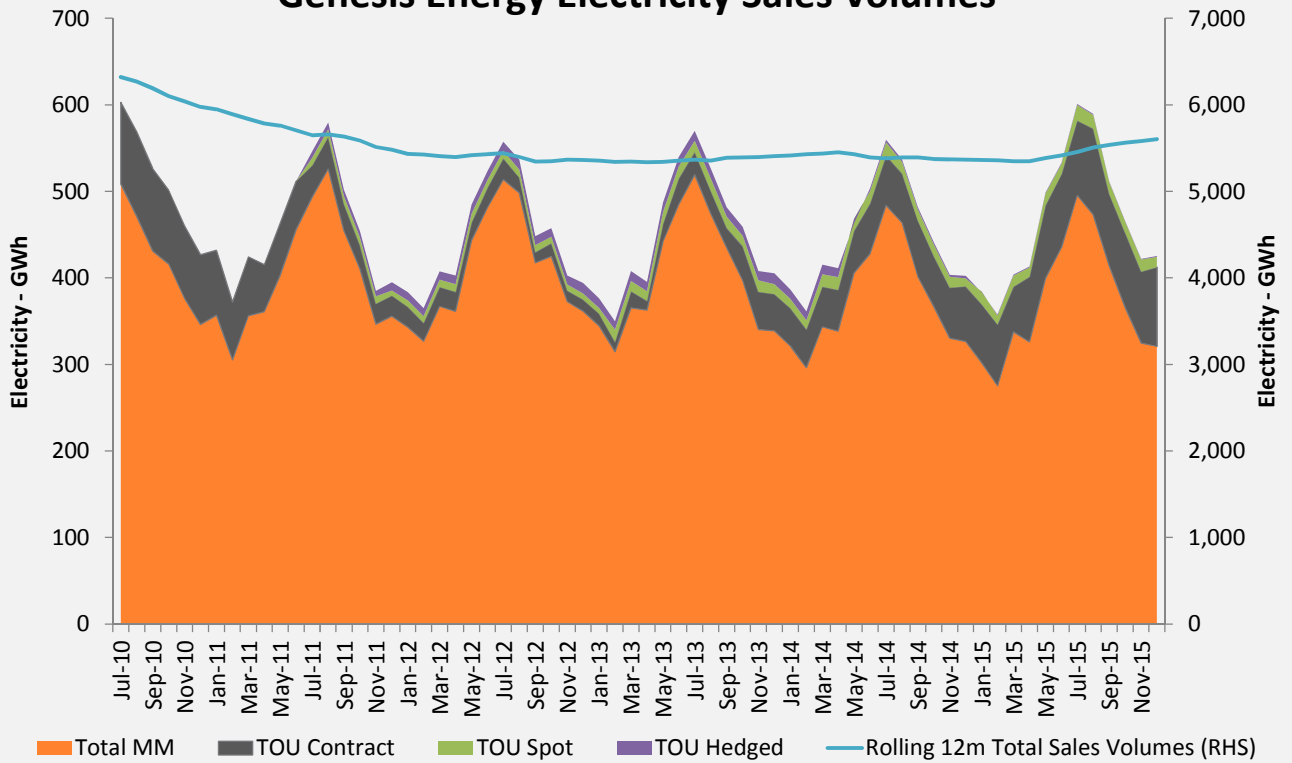


Genesis Energy Electricity and Gas Purchase Volumes



Source: Genesis Energy

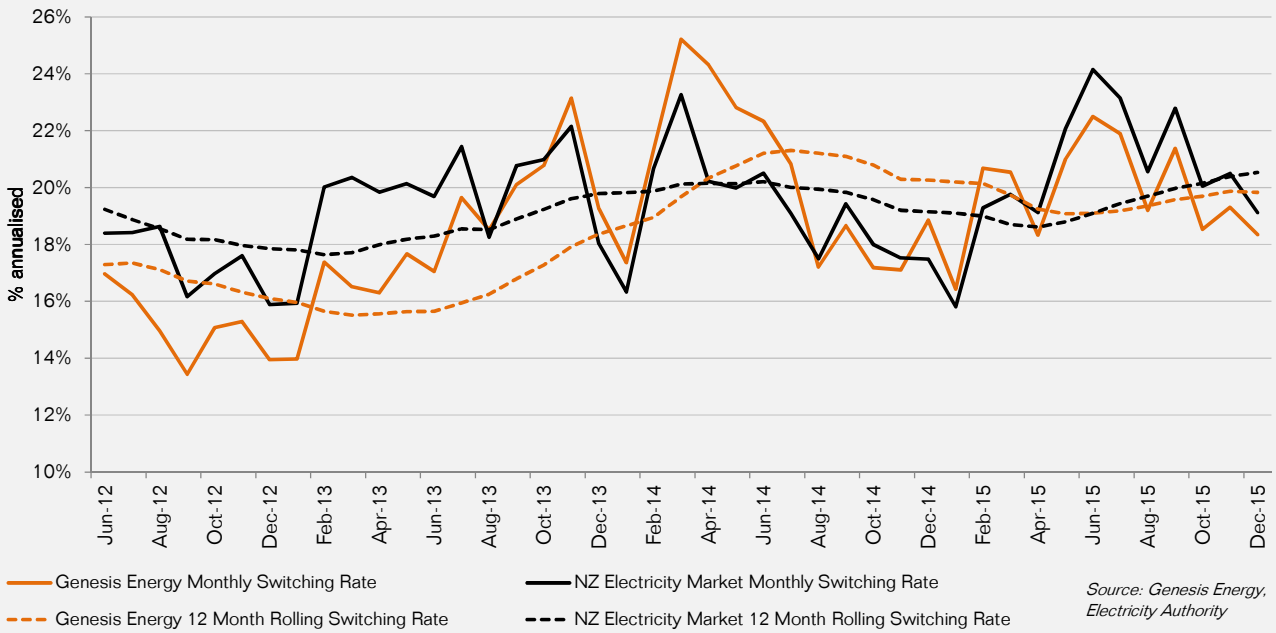
Genesis Energy Electricity Sales Volumes



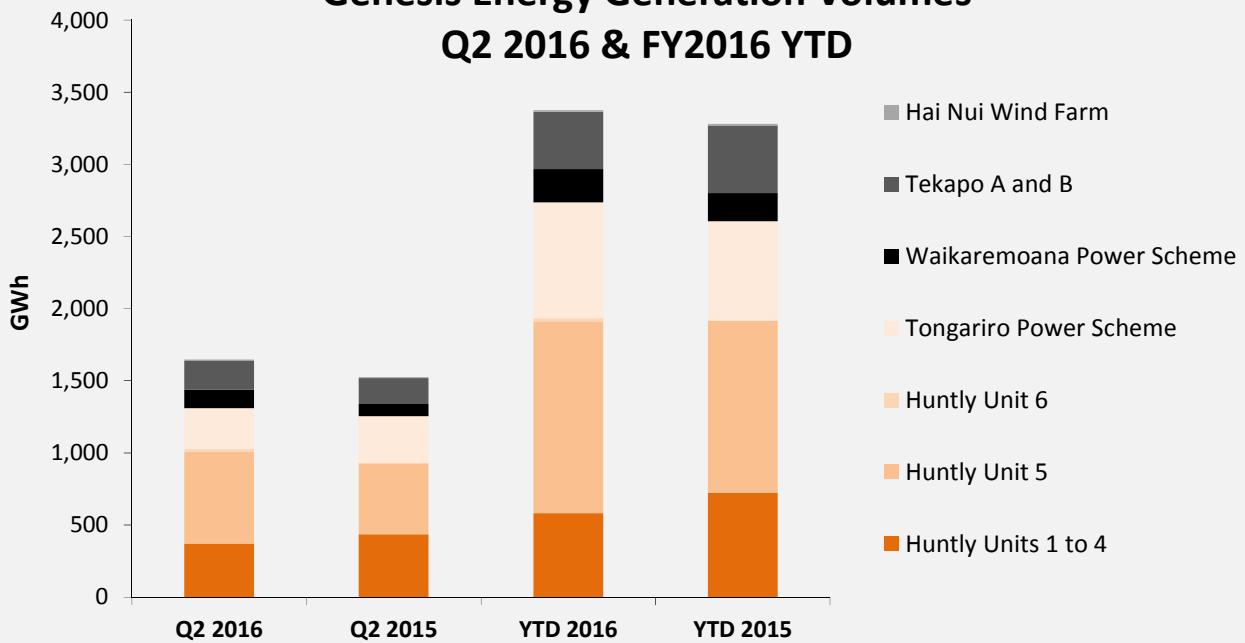
Source: Genesis Energy

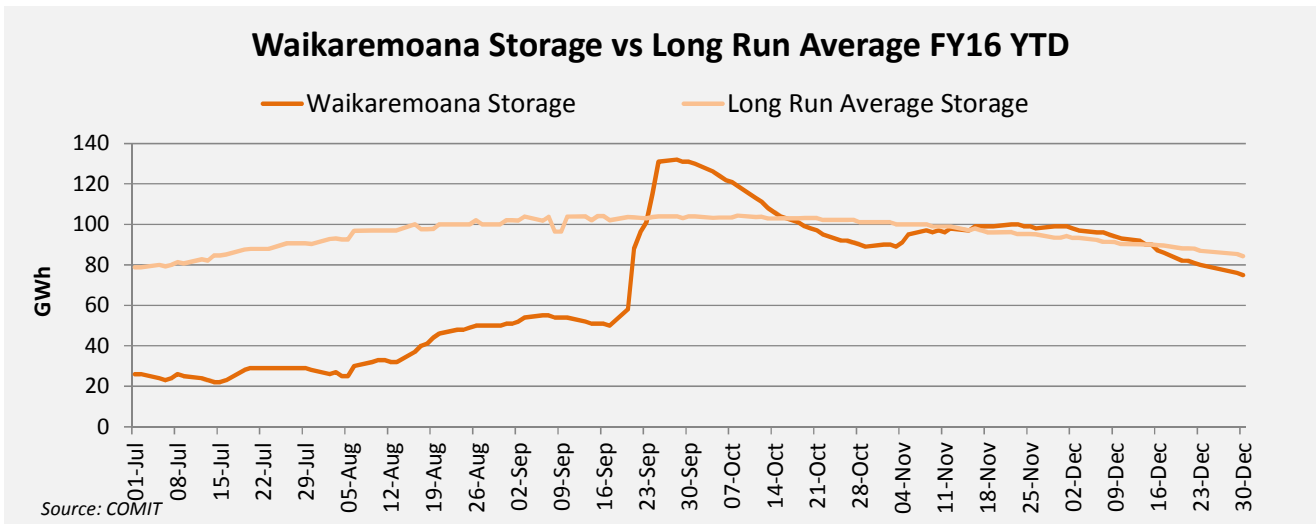
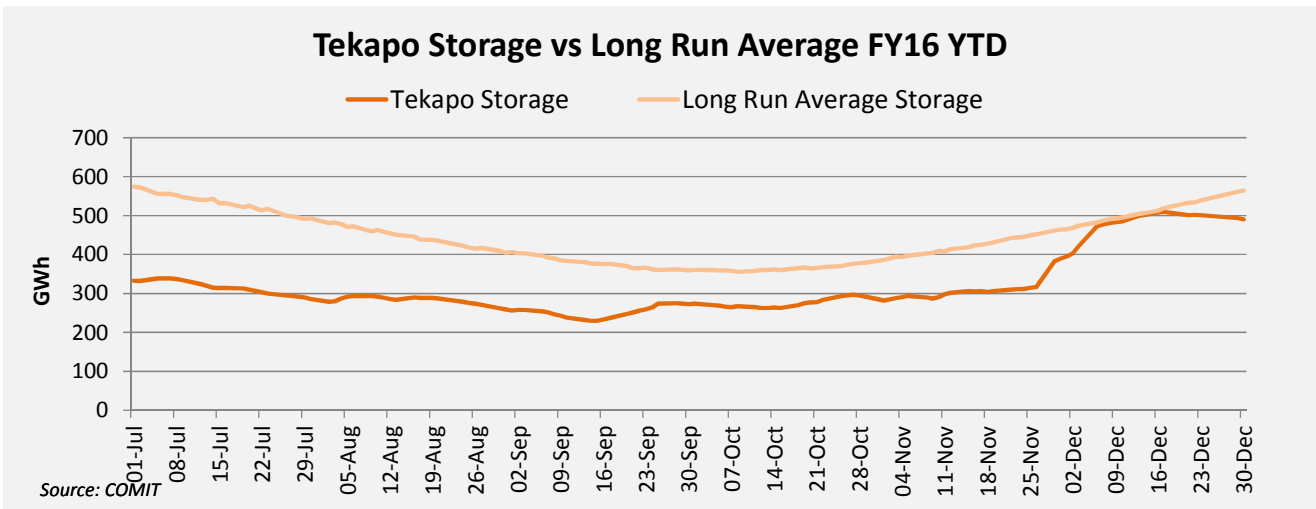
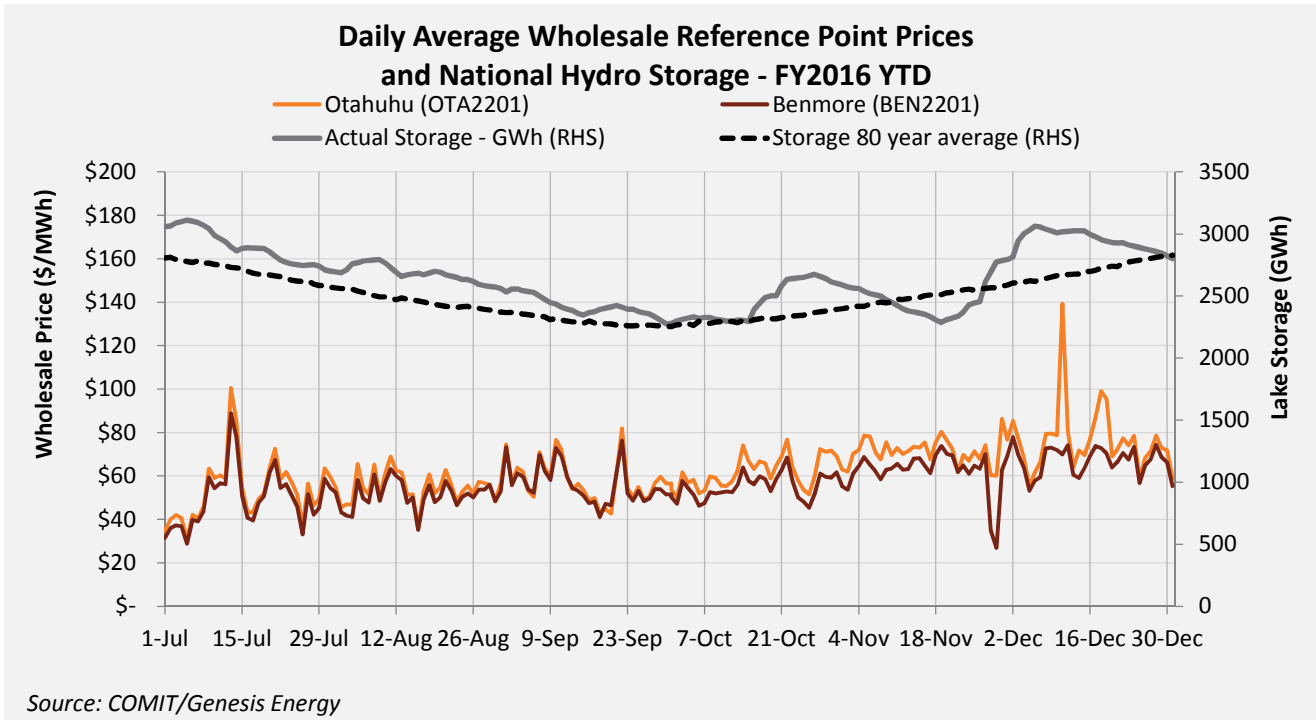


Genesis Energy vs. Industry Electricity Customer Switching



Genesis Energy Generation Volumes Q2 2016 & FY2016 YTD





APPENDIX A OPERATIONAL INFORMATION

Operational Information*	Second Quarter (October to December)				Year to Date			
	2015/16	2014/15	% Change	Change	2015/16	2014/15	% Change	Change
Market Information								
Customer-focus								
Electricity Market Share (%) ¹	25.8%	25.8%	-0.1%	0.0%				
Gas Market Share (%) ¹	39.8%	40.4%	-1.4%	-0.6%				
Customer Experience								
Customer-focus								
Customer Satisfaction (%) ²	95%	95%	0.0%	0%				
Total Advanced Meters Installed To Date (#)	368,500	370,734	-0.6%	-2,234				
Customer Numbers								
Total Customer Numbers (#) ³	654,334	650,238	0.6%	4,096				
<i>Total Customers by Product:</i>								
Electricity Customers (#) ⁴	543,997	539,162	0.9%	4,835				
Electricity Customers Excluding Vacants (#) ⁴	522,586	517,492	1.0%	5,094				
Gas Customers (#) ⁴	110,337	111,076	-0.7%	-739				
Gas Customers Excluding Vacants (#) ⁴	106,809	108,217	-1.3%	-1,408				
LPG Customer Numbers (#) ⁵	14,326	13,081	9.5%	1,245				
<i>Total Electricity Customers by Location:</i>								
North Island Electricity Customer Numbers (#) ⁴	434,485	434,972	-0.1%	-487				
South Island Electricity Customer Numbers (#) ⁴	88,101	82,520	6.8%	5,581				
Customer Volumes and Price								
Volume Weighted Average Electricity Selling Price (\$/MWh) ⁶	\$239.44	\$242.21	-1.1%	(\$2.77)	\$234.95	\$234.73	0.1%	\$0.22
Mass Market Electricity Sales (GWh)	1,011	1,024	-1.2%	-12	2,394	2,373	0.9%	21
TOU Electricity Sales (GWh)	302	224	34.9%	78	621	453	37.2%	169
Electricity Sales - Retail (GWh)	1,313	1,247	5.3%	66	3,015	2,825	6.7%	190
Electricity Sales - Wholesale (GWh)	395	404	-2.3%	-9	857	876	-2.1%	-19
Volume Weighted Average Gas Selling Price (\$/GJ) ⁶	\$28.85	\$29.17	-1.1%	(\$0.32)	\$24.94	\$25.88	-3.6%	(\$0.94)
Mass Market Gas Sales (PJ)	0.9	0.9	-3.5%	0.0	2.6	2.5	2.9%	0
TOU Gas Sales (PJ)	0.8	0.7	15.1%	0.1	1.7	1.5	10.8%	0
Retail Gas Sales (PJ)	1.7	1.6	4.7%	0.1	4.2	4.0	5.9%	0.2
Retail LPG Sales (tonnes)	883	800	10.4%	83	2,202	1,944	13.3%	258
Electricity Purchases - Retail (GWh)	1,408	1,346	4.6%	62	3,186	3,003	6.1%	183
Electricity Purchases - Wholesale (GWh)	250	239	4.5%	11	618	615	0.5%	3
Retail Gas Purchases (PJ)	1.7	1.4	21.8%	0.3	4.3	3.8	11.6%	0.4
Average Retail Electricity Purchase Price - LWAP (\$/MWh) ⁷	\$66.72	\$77.53	-13.9%	(\$10.81)	\$61.90	\$72.45	-14.6%	(\$10.56)
LWAP/GWAP Ratio (%)	98%	101%	-3.2%	-3.2%	100%	101%	-0.8%	-0.8%
Energy Management								
Generation								
Gas (GWh)	724	539	34.3%	185	1,476	1,277	15.6%	199
Coal (GWh) ⁸	301	390	-22.8%	-89	458	641	-28.7%	-184
Total Thermal (GWh)	1,025	929	10.4%	96	1,933	1,918	0.8%	15
Hydro (GWh)	615	590	4.3%	26	1,431	1,351	5.9%	79
Wind (GWh)	7	6	8.2%	0.5	13	11	16.4%	1.9
Total Renewable (GWh)	622	596	4.4%	26	1,444	1,363	6.0%	81
Total Generation (GWh)	1,648	1,525	8.0%	122.5	3,377	3,280	2.9%	96.5
<i>Generation by Location:</i>								
North Island (GWh)	1,444	1,345	7.4%	99	2,980	2,813	5.9%	167
South Island (GWh)	203	180	13.1%	24	397	467	-15.0%	-70
Average Price Received for Generation - GWAP (\$/MWh) ⁷	\$68.35	\$76.89	-11.1%	(\$8.55)	\$61.78	\$71.75	-13.9%	(\$9.98)
Generation Emissions (ktCO ₂)	602	598	0.7%	4.4	1,071	1,143	-6.3%	-72.0
Generation Carbon Intensity (tCO ₂ /GWh)	366	392	-6.8%	-26.5	317	348	-9.0%	-31.3
Fuel								
Gas Purchases (PJ)	10.5	10.0	4.6%	0.5	24.3	24.2	0.6%	0.2
Coal Purchases (PJ)	0.7	3.2	-77.0%	-2.5	3.0	5.4	-45.5%	-2.5
Wholesale Gas Sales (PJ)	3.2	4.5	-29.0%	-1.3	8.7	10.7	-18.7%	-2.0
Wholesale Coal Sales (PJ)	0.2	0.2	43.9%	0.1	0.5	0.2	N/A	0.3
Gas Used In Internal Generation (PJ)	5.6	4.1	35.8%	1.47	11.3	9.6	17.8%	1.7
Coal Used In Internal Generation (PJ) ⁹	3.3	4.2	-21.9%	-0.9	5.1	7.2	-28.8%	-2.1
Coal Stockpile - closing balance (kilotonnes)	600.4	870.3	-31.0%	-270				
Kupe Oil and Gas								
Genesis Energy Share								
Gas Sales (PJ)	1.3	1.6	-14.8%	-0.2	3.4	3.5	-1.1%	0.0
Oil Production (kbbbl)	80.9	106.2	-23.8%	-25.3	207.3	238.9	-13.2%	-32
Oil Sales (kbbbl)	56.6	162.0	-65.0%	-105.3	158.6	233.4	-32.1%	-75
LPG Sales (kilotonnes)	5.7	7.0	-19.3%	-1.4	14.1	15.2	-7.3%	-1.1

Notes:

¹ December 2014 and 2015 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