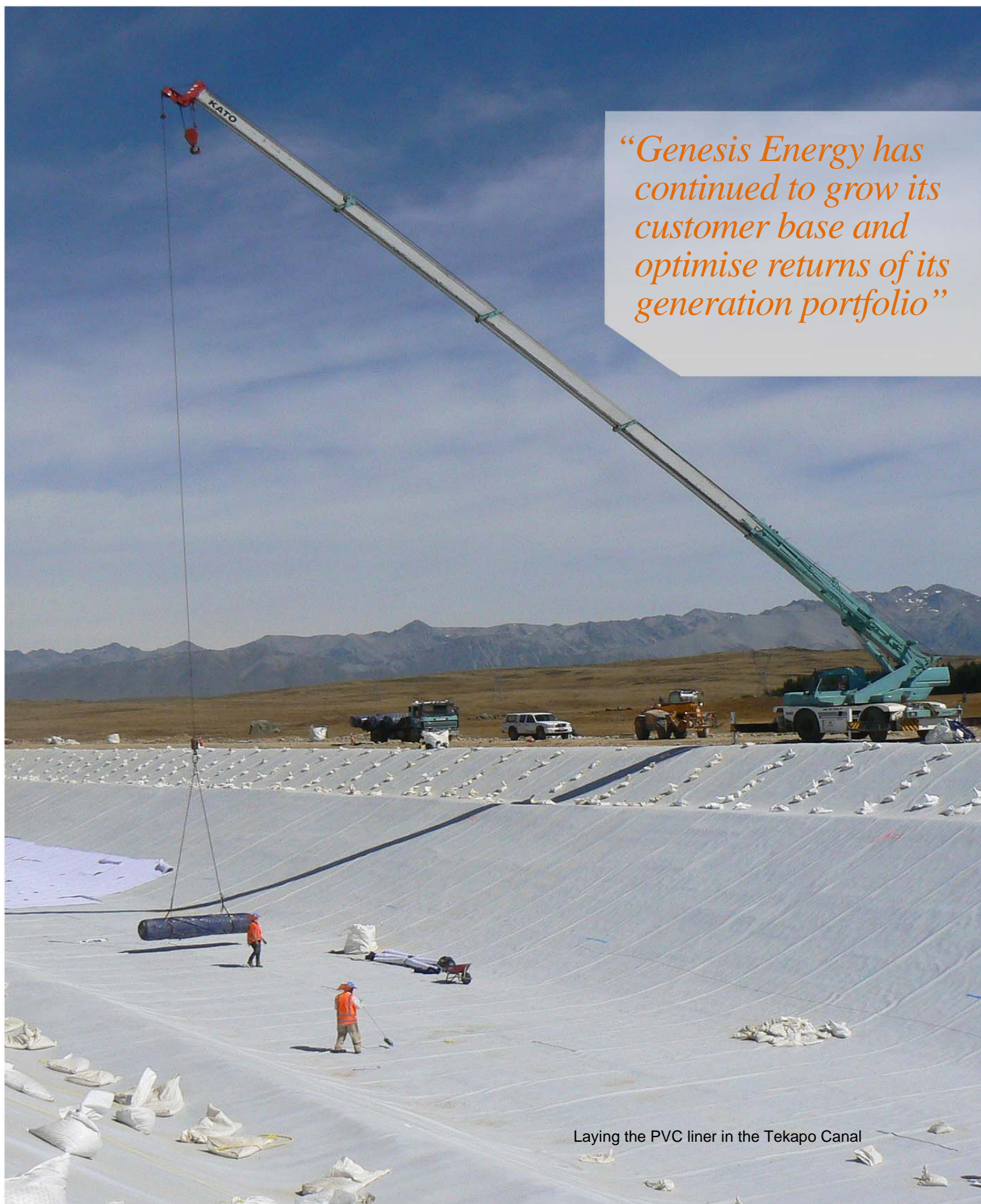


Q3 } Quarterly Performance

Market and Operational Information

“Genesis Energy has continued to grow its customer base and optimise returns of its generation portfolio”



Laying the PVC liner in the Tekapo Canal

INTRODUCTION

This disclosure includes market and operational information for Genesis Power Limited, trading as Genesis Energy, for the quarter ending 31 March 2013 ("Q3").

Genesis Energy's Q3 operating performance was dominated by two events in the three month period ended 31 March 2013: a 13 week outage for the Tekapo A and B hydro power stations while the remediation of 5.7kms of the Tekapo Canal was undertaken, and the sharp turnaround in national hydrological conditions which saw hydro storage levels fall from 142% of the long run average in early January 2013 to 77% of average by 31 March 2013.

Despite the adverse market conditions, a continued focus on servicing customers and providing a compelling customer proposition saw Genesis Energy increase both its electricity and gas customer base. With 556,045 electricity customers and 113,479 gas customers, Genesis Energy's total of 669,524 customers at 31 March 2013 is modestly higher than the previous quarter and Q3 2011/12. LPG customers at the end of the quarter totalled 8,950, up 25% year on year.

A continued focus on customer service resulted in Genesis Energy maintaining an average churn rate of its electricity customers of approximately 16% (on an annualised basis) in Q3, which was 3% points lower than the industry average. Compared to the same period last year, the churn rate is 2% points lower, with the rolling twelve month churn showing an improving trend relative to the wider market.

On 24 March 2013 Genesis Energy launched a refresh of its brand centering on the tagline "We're in it for you". The statement reflects a continuation of the strategy to place Genesis Energy's customers and the communities it operates in at the centre of its business.

Total generation in Q3 was down 29% at 1,332GWh, compared to 1,888GWh in the same quarter last year. This was mainly due to the outage at the Tekapo A and B Power Stations and the drought conditions in the North Island, which led to combined South and North Island hydro generation being down 69% on Q3 2011/12.

With less hydro capacity and higher wholesale prices, the Company increased output of the coal/gas fired Rankine units 1, 2 and 4 at Huntly Power Station. In spite of this, thermal generation was still down 8% at 1,119GWh in Q3 2012/13 compared to 1,216GWh in Q3 2011/12, but made up 84% of total generation compared to 64% last year. Thermal generation was, however, 32% higher than in Q2 when the wholesale price was much lower.

Lake levels throughout the country at the start of the third quarter were well above the long term average but a lack of rainfall steadily led to a worsening position such that by the end of the quarter national hydro storage was at 77% of long run average levels. Since the start of April 2013, significant rainfall has improved lake levels in the North Island but the South Island lakes remain well below average. Nationally hydro storage was at 72% of average on 22 April 2013.

The lack of rainfall for most of the quarter propelled the average Haywards wholesale electricity price 54% higher versus Q2 2012/13 but this was still 6% lower than Q3 2011/12. The average Haywards reference price for the third quarter period was \$90.45/MWh, with averages of \$52.36/MWh, \$73.10/MWh, and \$144.22/MWh in January, February and March 2013, respectively.

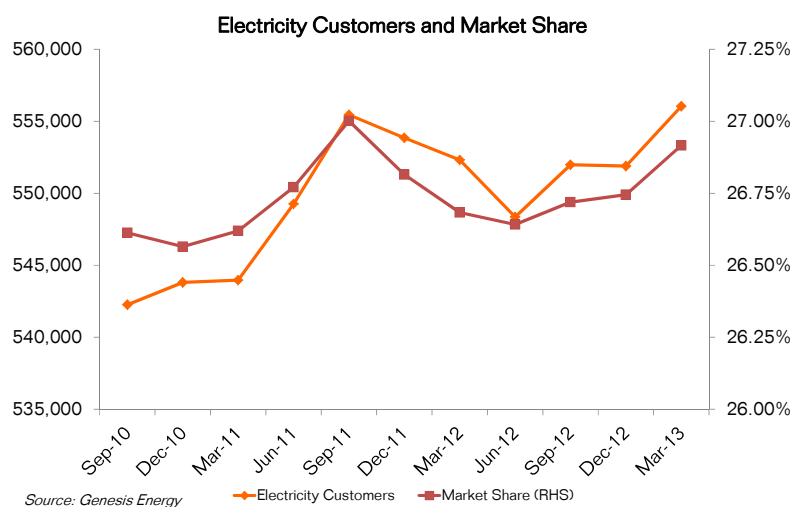
Moving into Q4 2012/13 the focus for the Company has been on managing the continued low levels of hydro lakes in its hydro schemes as well as optimising the rest of its generation fleet to operate during below average hydrological conditions and above average wholesale electricity prices. Tekapo returned to generation by mid April 2013.

CUSTOMER EXPERIENCE

GROWING VALUE BY INNOVATION AND IMPROVING THE CUSTOMER EXPERIENCE

During the third quarter of 2012/13 Genesis Energy continued to see increases in its customer base so that at 31 March 2013 there were 556,045 electricity customers (534,885, excluding “vacants”). This is an increase of 3,730 (or 1%) since 31 March 2012, an increase of 4,156 (or 1%) in the last three months, and is the Company’s highest number of electricity customers since July 2009.

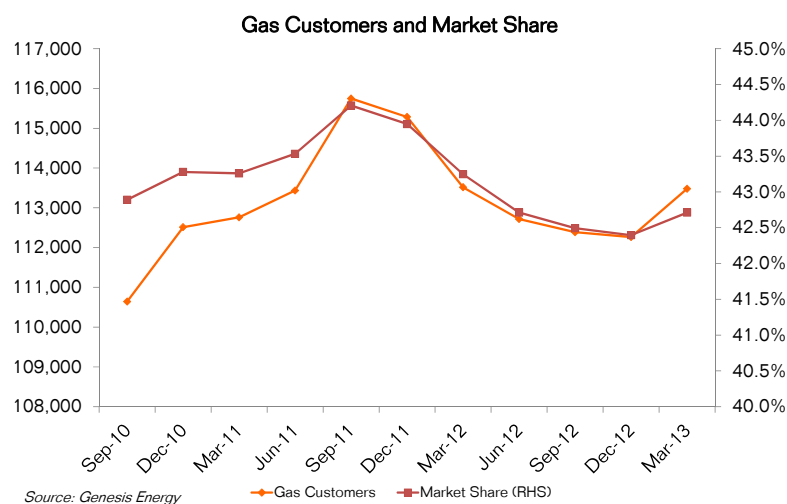
Total Gas customers now sit at 113,479 (112,273 excluding vacants) which is an increase of 1,214 in the last three months (1,255 excluding vacants), while LPG customers total 8,950 and are up 7% since 31 December 2012 and 25% since 31 March 2012.



Genesis Energy remains the largest New Zealand electricity retailer with a 26.9% share of the market. This continues the improvement seen over the last four quarters, and suggests that the recently refined customer strategy is starting to bear fruit.

The Energy Online customer base remained relatively flat over the last twelve months, while customers of the Genesis Energy brand have increased by 1%.

Growth in the number of South Island electricity customers also continues with 79,846 at 31 March 2013, up 4,084 (or 5.4%) in the last three months.



Genesis Energy also retains its number one position in the reticulated gas retail market as its share of the total market increased in Q3 to 42.7% from 42.4% in Q2.

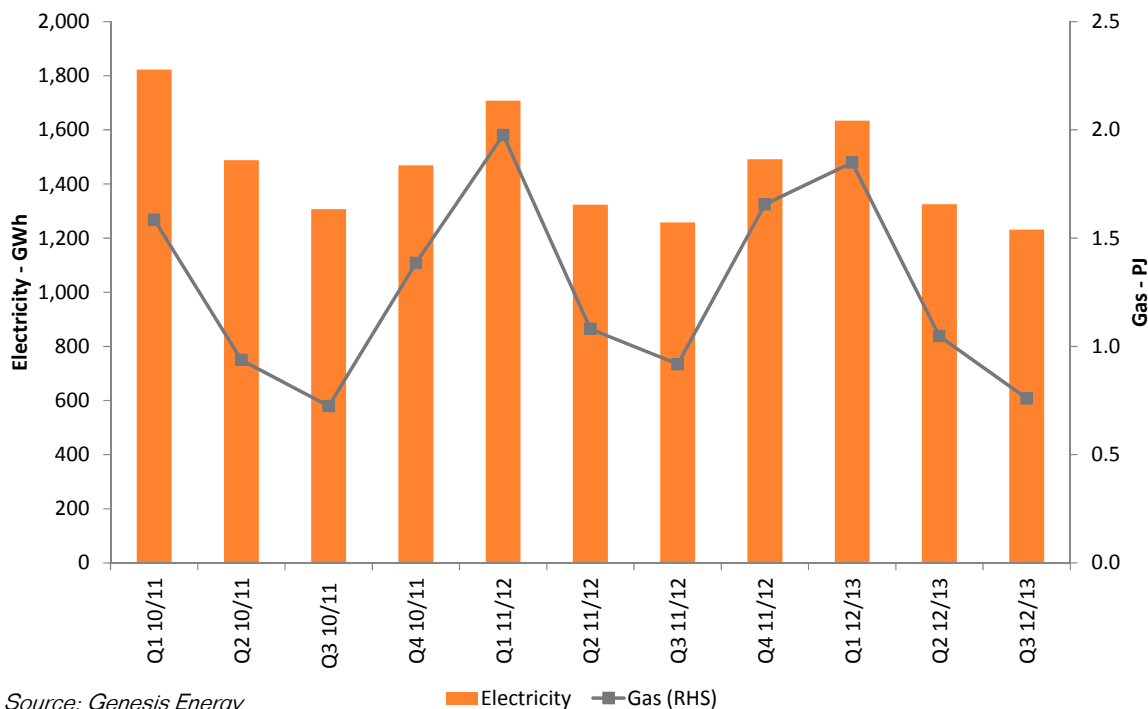
A recent promotion offering new gas customers 50% off their first four months' of bills (if signed to a one year fixed term plan) has helped to boost customer numbers. Similarly, a dual fuel initiative, which gives customers who take both gas and electricity from Genesis Energy a single bill, continues to be well received, with dual fuel customers now representing 68% of all gas customers.

Although the customer base grew in Q3, electricity usage per customer fell as evidenced by retail electricity sales volumes in Q3 2012/13 being 2% lower at 1,135GWh compared to the prior comparable

period. Gas sales volumes of 0.8GJ were down 7% over the same period, but LPG sales were up 11% to 435 tonnes.

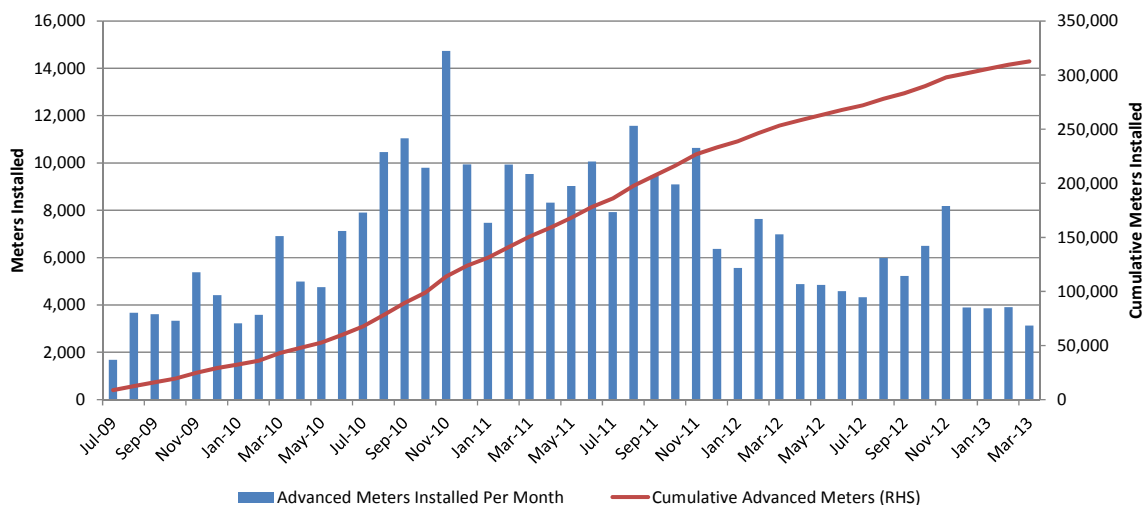
Retail electricity purchase volumes in Q3 2012/13 were down 2% 1,231GWh on Q3 2011/12 and retail gas purchase volumes were down 17% to 0.8PJ. The lower volumes of electricity and gas being purchased in the wholesale market and then sold to retail customers is likely to be influenced by the very dry and warm climate throughout the country during the three months ended 31 March 2013.

Electricity and Gas Purchase Volumes



Trials of Advanced Meters for monitoring gas usage continue amongst selected Genesis Energy customers ahead of further testing and then a mass market rollout. Meanwhile the number of electricity customers benefitting from the installation of an Advanced Meter continues to grow. In Q3 10,902 meters were installed in homes of Genesis Energy customers, taking the total number of Advanced Meters installed at 31 March 2013 to 312,694 (23% higher than at the same time last year).

Advanced Meters Installed



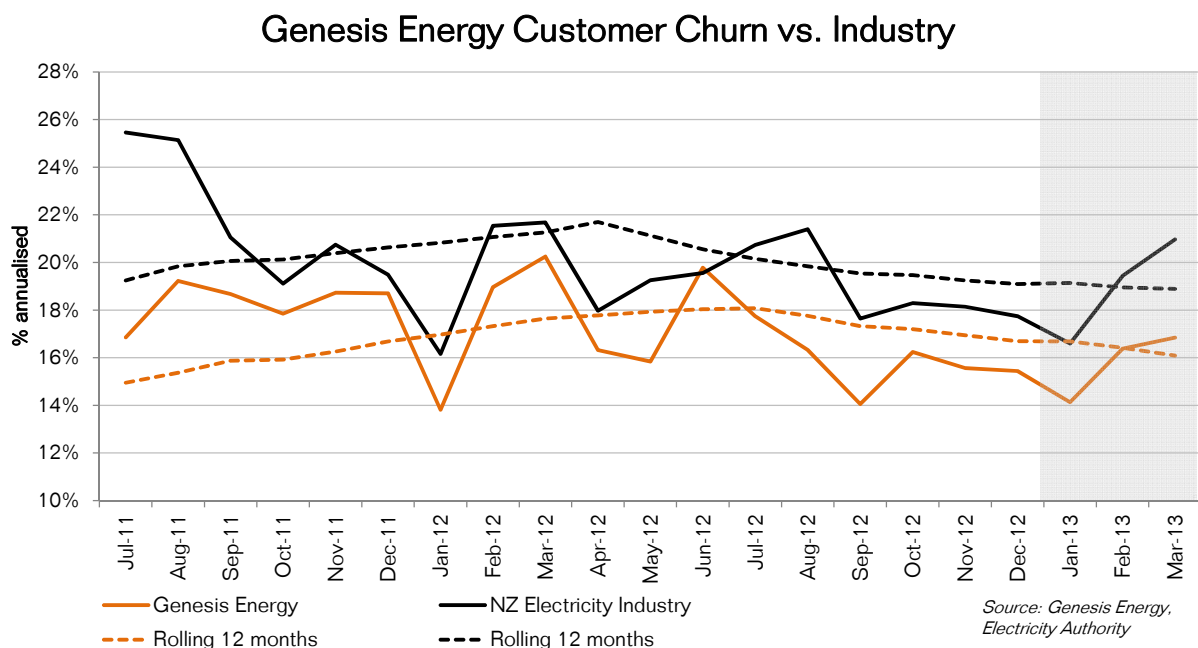
The level of installed Advanced Meters allows approximately 58% of Genesis Energy's electricity customers' usage to be remotely read and enables customers to see detailed information on their electricity usage, down to the level of hourly usage.

Genesis Energy continues to look for opportunities to make operational improvements within Customer Experience, thereby enhancing revenue and reducing the cost to serve. The focus continues to be on customer service and retention and reducing customer churn.

CUSTOMER MARKETS

Genesis Energy's electricity market customer churn rate¹ averaged 16.1% (on an annualised basis) during Q3, in line with the average for Q2 but over 2% points lower than the average for the same period last year. Churn reduced to almost 14% in January 2013, but in both February and March 2013 increased in line with the market as people returned from holiday and tended to reassess their domestic bills. Genesis Energy's average churn for Q3 was 3% points lower than that of the electricity industry for the same period.

In the chart below the Company's rolling twelve month churn looks to be trending downwards as the last quarter progressed, whereas the industry churn looks to be plateauing around the 19% level. In the most recent quarter the gap between Genesis Energy's customer churn and the rest of the market appears to be widening².



Genesis Energy has also managed to outperform the wider gas market with an average churn of customers over Q3 of 10%, versus the market at 15%.

On 24 March 2013 Genesis Energy launched a refresh of its brand centering on the approach "We're in it for you". The statement reflects a continuation of the strategy to place Genesis Energy's customers and the communities it operates in at the centre of its focus and strategy. The brand refresh was accompanied by extensive television and mass media advertising, and new messaging and banners on customer communications and bills.

¹ Based on the number of ICPS (or points of connection).

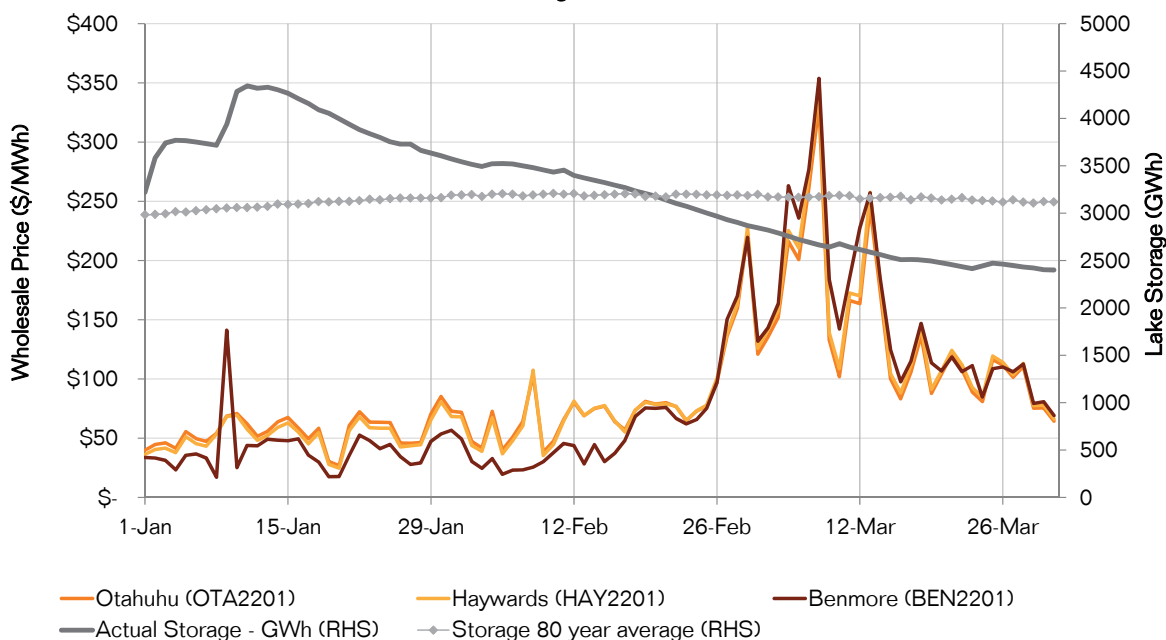
² Note that industry churn in February 2013 has been adjusted for 16,646 Energy Direct customers that received electricity directly through Meridian Energy but are now reported a separate entity by the Electricity Authority (EA). In March 2013, industry churn was reported by the EA to be 76,252 (or circa 46%), however, once an adjustment is made for a one off transfer of customers to Todd Energy churn reduces to 21%.

WHOLESALE MARKETS

Movements in the wholesale electricity market in Q3 were dominated by extreme hydrological conditions at the start of the quarter compared to the end of the quarter. In the first two weeks of January 2013, hydro lake levels throughout the country reached 142% of average following heavy rainfall in the first few days of the New Year.

For the remainder of the quarter there was very little rain anywhere in the country, such that by 31 March 2013 hydro storage had reduced to only 77% of the long run average. Since the end of Q3 hydro storage has fallen further to be at 72% of average. In terms of GWh, hydro storage peaked at 4,343 GWh on 11 January 2013 and fell 45% to 2,401GWh on 31 March 2013.

Daily Average Wholesale Reference Point Prices and Lake Storage - Jan-Mar 2013



Source: COMIT/Genesis Energy

Not surprisingly, the drought conditions and fall in lake levels has had a significant impact on the wholesale electricity price during Q3. Having averaged around \$50 to 60/MWh for the first six weeks of the quarter across the Otahuhu (upper North Island), Haywards (lower North Island) and Benmore (South Island) nodes, the price escalated sharply in the last week of February 2013 as drought conditions started to develop. Prices peaked first at \$228.00/MWh at Haywards on 1 March 2013 then, after a small correction, reached \$353.80/MWh at Benmore on 8 March 2013 before receding somewhat through the rest of March 2013.

The average Haywards reference price for the Q3 period was \$90.45/MWh, with averages of \$52.36/MWh, \$73.10/MWh, and \$144.22/MWh in January, February and March 2013, respectively.

During Q3 there were only minimal periods of separation in North and South Island wholesale prices due to a planned outage of Pole 2 of the HVDC link and testing of the new Pole 3.

DIVERSE, FLEXIBLE AND STRATEGIC GENERATION PORTFOLIO

Operational performance of the Company's generation portfolio in Q3 was impacted by the absence of the Tekapo A and B hydro stations due to the remediation works undertaken on the Tekapo Canal. Work began on 9 January 2013 to repair separate 3.0 km and 2.7km sections of the canal to enhance the stability of the canal structure and line the canal with a protective PVC material. Work included construction of temporary coffer dams, dewatering of the two sections of the canal and relocation of all affected fish.

Inspection of the canal once it was dry confirmed that additional work needed to be done on a fill section at chainage 8.17km to replace a culvert that crossed under the canal and had previously been leaking. The Company also took the opportunity to upgrade the structure of the State Highway 8 bridge that crossed the canal. Remediation works planned for the first of two construction seasons was completed 10 days ahead of schedule on 12 April 2013 and Tekapo B returned to generating.

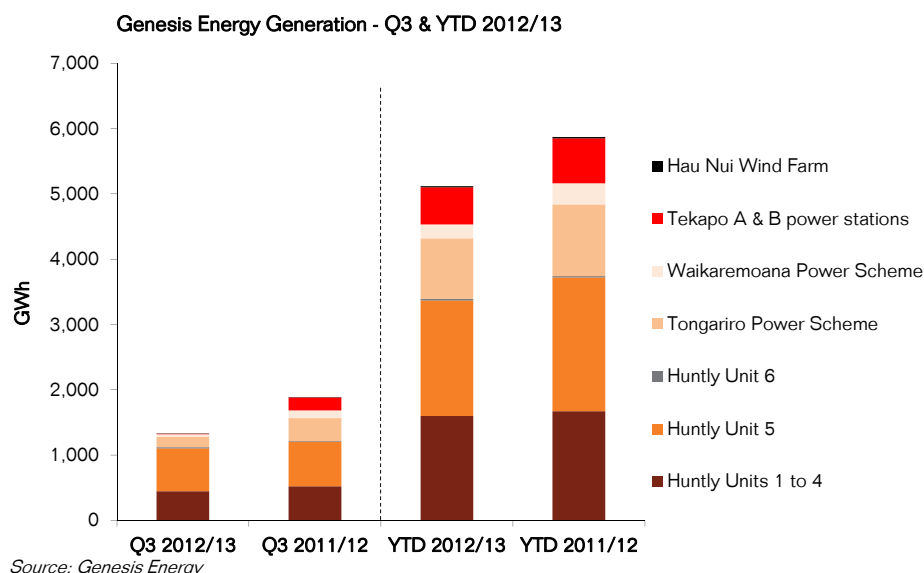
Genesis Energy's total generation in Q3 was down 29% at 1,332GWh, compared to 1,888GWh in the same quarter last year. This was mainly due to the outage of Tekapo A and B Power Stations and the drought conditions in the North Island which led to hydro generation being down 69% on the prior period.

Thermal generation was down 8% at 1,119GWh in Q3 2012/13 compared to 1,216GWh in Q3 2011/12, but made up 84% of total generation compared to 64% last year. With low rainfall and drought conditions, thermal plant was run to benefit from the higher wholesale prices in the second half of the quarter.

Thermal generation was 32% higher than in Q2 when the wholesale price was much lower. Utilisation rates of Huntly Units 1, 2 and 4 also increased as Unit 3 was put into long term storage in December 2012.

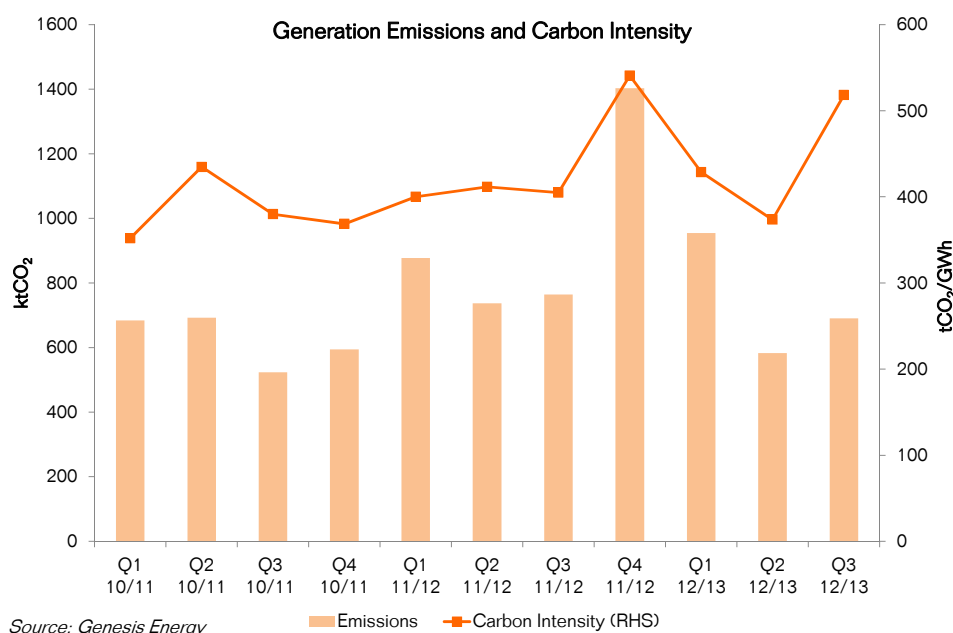
In line with its long term trading strategy, Genesis Energy continues to conserve its hydro storage, while making its long thermal volume available to the market at price points aimed at optimising its plant and returns.

The average price received for generation during this quarter of \$100.34 was 2% higher than the price received in Q3 last year, but was 64% higher than in Q2 this year. The LWAP/GWAP ratio in Q3 was 0.95 compared to 1.03 in Q3 2011/12.



The coal stockpile of 990 kilotonnes is down 31% on the same period last year (1,432 kilotonnes) and is 1% lower than at the end of Q2 (1,002 kilotonnes). This is mainly due to the increased utilisation of the Huntly Units 1, 2 and 4 during the second half of the quarter.

Genesis Energy's generation emissions were 690ktCO₂ in Q3, which was down 10% on the previous comparable period despite coal-fired generation as a proportion of total generation being higher. For the same reason, the Company's generation portfolio carbon intensity in Q3 at 518tCO₂/GWh was up 28% compared to 405tCO₂/GWh for the same period last year.



Genesis Energy's share of Kupe gas sales was 1.3PJ for Q3, down 3% on the same period last year. Oil sales in Q3 were 119kbbbl compared to 113kbbbl in Q3 2011/12 despite there being no shipment of oil in February 2013. LPG sales at 5.3 kilotonnes were up 30% on Q3 2011/12 due mainly to similar levels of increased customer numbers. Despite the lower gas sales, the levels of crude oil sold and higher LPG sales volumes highlights Kupe's ability to deliver the Company strong earnings and cashflows.

HEALTH AND SAFETY

HEALTH AND SAFETY PERFORMANCE

Throughout Q3, Genesis Energy employees had one lost time injury but no serious incidents. Total Recordable Injury Frequency Rate (TRIFR) for the quarter was 2.41 compared to zero for the previous quarter and a 2012/13 target of 5.49. These rates show a significant improvement compared to the previous year, so that year-to-date TRIFR of 3.23 is 64% lower than Q3 2011/12.

Near miss reporting and Hazard Identification continues to be strong with 181 reported incidents versus 226 in Q2 and 102 for Q3 last year. Systems have been developed to aid the analysis of these reports to better identify and communicate high risk activities and implement a robust investigation process for significant near miss incidents. There were no Department of Labour notified incidents in Q3.

Genesis Energy is investing substantially in comprehensive safety training for its staff through the use of the Sentis ZIP (Zero Incidents Process) training system. In Q3, 747 staff undertook various ZIP training modules, bringing the total number of staff trained who have completed training to 773.

Genesis Energy had a total of 952 full time equivalent employees as at 31 March 2013, compared to 989 as at 31 March 2012 and 958 at the end of Q2.

MARKET OUTLOOK

NIWA's outlook for April to June 2013 indicates that neutral climatic conditions are likely to persist into the Southern Hemisphere winter period. Temperatures for April to June 2013 are likely to be above average for the North Island and are very likely to be above average for the South Island. More importantly, rainfall levels are likely to be near normal across the country which, given the current low levels of hydro storage in the South Island, suggests that lakes will remain lower than average in the near term.

These conditions are likely to outweigh medium term negative outlook on electricity demand and at least in the short term keep wholesale electricity prices above long term averages.

This outlook is highlighted by the ASX futures market where prices for the end of June 2013 are at \$102.50/MWh for Otahuhu, but falling to \$58.10/MWh by 31 December 2013. Similarly, Benmore is at \$129.15/MWh and \$53.50/MWh, respectively³. Looking further forward, the ASX strip has pricing at Otahuhu rising to \$84.50/MWh by the end of December 2016 and Benmore prices to \$93.52/MWh.

Factors likely to influence the price of electricity in the wholesale market during Q4 include: (1) the continuation of low hydro storage levels throughout the country due to lower rainfall; (2) news around the contract to supply the Tiwai Pt aluminium smelter with electricity by one of Genesis Energy's competitors; and (3) demand in the mass market as the onset of winter increases energy usage in the home.

BUSINESS OUTLOOK

Customer Experience

Genesis Energy continues to focus on creating new offerings and opportunities to create stronger relationships with its customers. An Advanced Meter pricing tariff trial that Genesis Energy commenced in January 2012 has been extended with a view to a mass market rollout early in the 2013/2014 financial year. Coupled with an upgraded billing system, it is envisaged that Genesis Energy will be able to offer a scalable product for "split rate" tariffs to a large number of residential customers.

Subsequent to the end of Q3, Genesis Energy launched a promotion to its dual fuel customers on 22 April 2013, providing a discount on the daily gas rates that customers who are solely Genesis Energy gas customers do not receive. The Company intends the discount to provide motivation for customers to take both electricity and natural gas and extend the average tenure of its customers.

In February 2013, in response to customer feedback, Genesis Energy started offering customers the ability to receive a PDF attachment of their bill by email. There has been a strong uptake of this option which has led to an increase in the adoption rate of online billing.

Tekapo Canal Remediation

Neither Tekapo A and B Power Stations were generating electricity at the end of Q3 2012/13 as the first season Tekapo Canal remediation work was being completed. Although construction was due to end on 22 April 2013, favourable weather conditions and a motivated project team brought completion forward to 12 April 2013 when Tekapo B hydro station returned to operation.

Despite the low levels of hydro storage elsewhere in the South Island, Lake Tekapo remains at relatively high levels because of the outage. This means that Tekapo A and B Power Stations have fewer constraints on their generation capability and the potential to generate a greater share of total hydro generation out of the South Island in the near term. This has persisted into Q4 and is likely to remain until significant hydro inflows return lake levels closer to long run averages.

³ ASX update as at 22 April 2013.

APPENDIX A: OPERATIONAL INFORMATION

Operational Information

Genesis Energy Operational Information*	Third Quarter (January to March)				Year to Date			
	2012/13	2011/12	% Change	Change	2012/13	2011/12	% Change	Change
Market Information								
Customer-focus								
Electricity Market Share (%) [1]	26.9%	26.7%	0.9%	0.2%				
Gas Market Share (%) [1]	42.7%	43.2%	-1.2%	-0.5%				
Customer Experience								
Customer-focus								
Customer Satisfaction (%) [2]	95.0%	92.0%	3.3%	3.0%				
Total Advanced Meters Installed During Period (#)	10,902	20,182	-46.0%	-9,280	45,019	75,250	-40.2%	-30,231
Total Advanced Meters Installed To Date (#)	312,694	253,352	23.4%	59,342				
Customer Numbers								
Total Customer Numbers (#) [3]	669,524	665,831	0.6%	3,693				
<i>Total Customers by Product:</i>								
Electricity Customer Numbers (#)	556,045	552,315	0.7%	3,730				
Electricity Customers Excluding Vacants (#)	534,885	530,735	0.8%	4,150				
Gas Customer Numbers (#)	113,479	113,516	0.0%	-37				
Gas Customers Excluding Vacants (#)	112,273	112,413	-0.1%	-140				
LPG Customer Numbers (#)	8,950	7,137	25.4%	1,813				
<i>Total Electricity Customers by Location:</i>								
North Island Electricity Customer Numbers (#)	476,199	485,800	-2.0%	-9,601				
South Island Electricity Customer Numbers (#)	79,846	66,515	20.0%	13,331				
Customer Volumes and Price								
Retail Electricity Sales (GWh)	1,135	1,156	-1.9%	-21	3,932	4,018	-2.1%	-86
Retail Gas Sales (PJ)	0.8	0.8	-7.2%	-0.1	3.6	3.8	-4.8%	-0.2
Retail LPG Sales (tonnes)	435	359	21.1%	76	1,724	1,409	22.3%	315
Retail Electricity Purchases (GWh)	1,231	1,258	-2.1%	-27	4,191	4,289	-2.3%	-98
Retail Gas Purchases (PJ)	0.8	0.9	-17.2%	-0.2	3.7	4.0	-8.0%	-0.3
Average Retail Electricity Purchase Price (\$/MWh) [4]	95.63	101.21	-5.5%	-\$5.58	75.08	89.06	-15.7%	-\$13.98
Energy Management								
Generation								
Gas (GWh)+	709	730	-2.8%	-21	1,921	2,237	-14.1%	-315
Coal (GWh)+	410	486	-15.6%	-76	1,471	1,503	-2.1%	-32
Total Thermal (GWh)	1,119	1,216	-8.0%	-97	3,392	3,739	-9.3%	-347
Hydro (GWh)	208	666	-68.8%	-458	1,709	2,113	-19.1%	-403
Wind (GWh)	5	6	-19.8%	-1.2	16	19	-12.9%	-2.4
Total Renewable (GWh)	213	672	-68.3%	-459	1,726	2,131	-19.0%	-406
Total Generation (GWh)	1,332	1,888	-29.4%	-555.5	5,118	5,871	-12.8%	-753.0
<i>Generation by Location:</i>								
North Island (GWh)	1,324	1,691	-21.7%	-367	4,548	5,181	-12.2%	-633
South Island (GWh)	8	197	-95.9%	-189	570	690	-17.5%	-121
Average Price Received for Generation (\$/MWh) [4]	100.34	98.17	2.2%	\$2.17	74.03	85.77	-13.7%	-\$11.74
Generation Emissions (ktCO ₂)	690	764	-9.7%	-74.0	2,227	2,378	-6.4%	-151.1
Generation Carbon Intensity (tCO ₂ /GWh)	518	405	28.0%	113.3	435	405	7.4%	30.1
Fuel								
Gas Purchases (PJ)	9.1	9.4	-2.7%	-0.3	27.7	32.4	-14.6%	-4.7
Coal Purchases (PJ)	3.9	4.1	-5.4%	-0.2	15.5	15.7	-1.2%	-0.2
Wholesale Gas Sales (PJ)	2.9	2.9	-1.5%	0.0	8.8	11.4	-23.0%	-2.6
Wholesale Coal Sales (PJ)	0.0	0.0	-100.0%	0.0	1.3	1.6	-20.7%	-0.3
Gas Used In Internal Generation (PJ)	5.5	5.5	-0.9%	-0.05	15.2	17.0	-10.5%	-1.8
Coal Used In Internal Generation (PJ) [5]	4.6	5.2	-12.2%	-0.6	16.4	16.6	-1.1%	-0.2
Coal Stockpile - closing balance (kilotonnes)	990	1,432	-30.8%	-441	990	1,432	-30.8%	-441
Kupe Oil and Gas Field Investment								
Genesis Energy Sales Share								
Gas Sales (PJ)	1.3	1.3	-3.8%	-0.1	4.0	4.3	-8.4%	-0.4
Oil Sales (kbbbl)	118.8	112.6	5.5%	6	320.6	391.5	-18.1%	-71
LPG Sales (kilotonnes)	5.3	4.1	30.1%	1.2	16.1	17.0	-4.9%	-0.8

Notes:

[1] March 2012 and 2013 market shares based on published customer records from the Electricity Authority (includes active accounts only) and Gas Industry Co.

[2] Based on the survey question: "Thinking about all aspects of the service provided to you, how satisfied are you with the overall performance of Genesis Energy, where 0 is extremely dissatisfied and 10 is extremely satisfied".

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

[4] Excludes settlements from electricity derivatives.

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

* Customer Experience segment covers retail activities. Energy Management segment covers generation and trading activities.