

Q4 }

Quarterly Performance

Market and Operational Information

Our newest energy innovation



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INTRODUCTION

This disclosure includes market and operational information for Genesis Power Limited, trading as Genesis Energy, for the quarter ending 30 June 2013 ("Q4").

Genesis Energy consolidated its industry leading position over Q4 as New Zealand's preferred energy supplier through its strategic focus on keeping and growing valuable customers. Delivering high standards of customer service, competitive pricing and practical and innovative products for its customers resulted in steady growth and lower churn than its competitors.

At 30 June 2013 the Company had 543,774 electricity customers, 115,003 gas customers and 9,708 LPG customers. This represents an increase of 14,432 electricity customers (or 3%) on 30 June 2012, and includes 14,469 more customers in the South Island of New Zealand, bringing that region's customers to 82,404, representing 15% of the total base.

During the quarter, the Company delivered further practical innovations for its customers with the commercial rollout of New Zealand's first 'time-based' electricity price offer. This innovation, enabled by its significant platform of installed Advanced Meters, allows customers to effectively manage their energy usage. Under the banner of "MyTimeTariffs", this variable pricing product offers peak, off-peak and shoulder prices.

In line with the Company's drive to keep and grow valuable customers, Genesis Energy also launched its "MyEnergyCoach" service. This service is designed to help customers better understand how energy is used and to help them plan energy efficiencies that work for them.

Stage one of Genesis Energy's Tekapo canal remediation work was successfully completed ahead of schedule with no lost time injuries, and the canal was fully operational for winter. Ongoing prudent maintenance of all the Company's assets over the quarter also continued to ensure long term reliability and performance.

A long, warm and dry summer resulted in reduced North and South Island hydro generation for the Company, which was down by 27% for the quarter. Wholesale market conditions were also challenging with reduced demand from customers. Despite this, Genesis Energy responded well, drawing on its diverse asset base and operations, including a strong performance from the Kupe oil and gas field.

Total generation in Q4 of 2,094 GWh was down 19% compared to 2,596 GWh in the same quarter last year. Lower wholesale electricity prices in June led to decreased thermal generation, which was down 17% at 1,599 GWh compared to 1,915 GWh in Q4 2012.

Production at the Kupe oil and gas field was a significant contributor to Q4 operations, with the Company's share of gas sales at 1.7PJ up 4% versus Q4 2012 and oil sales of 173kbbbl 24% higher than last year.

Genesis Energy is pleased to report that throughout Q4 the Company experienced no lost time injuries or any serious incidents. The Total Recordable Injury Frequency Rate (TRIFR) for the quarter was zero compared to 2.42 for Q4 2012, and 2.41 in the previous quarter.

These rates show a continuous and significant improvement compared to the previous year, with the 2013 full year TRIFR of 2.36 being 68% lower than 2012.

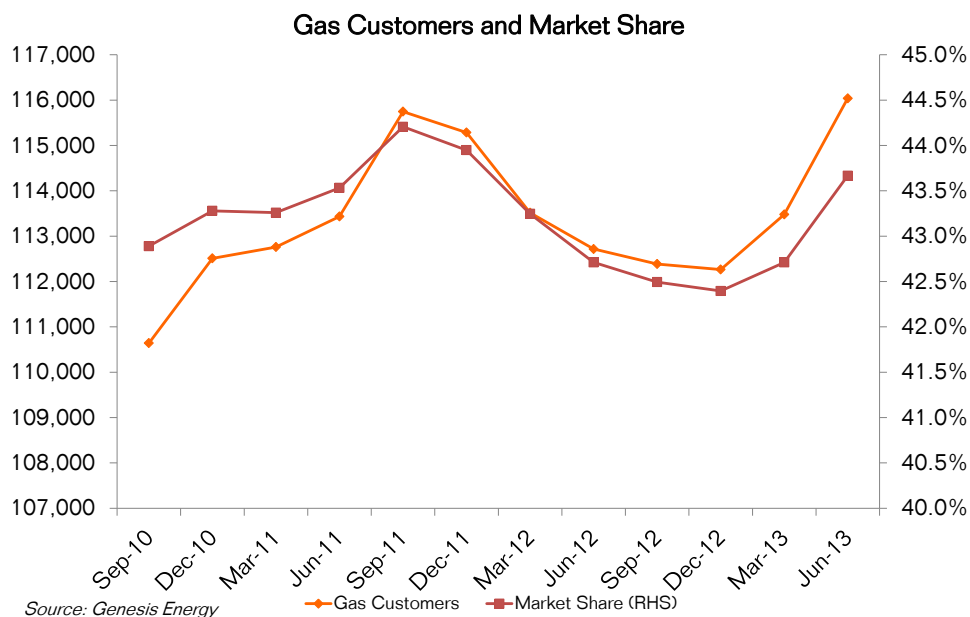
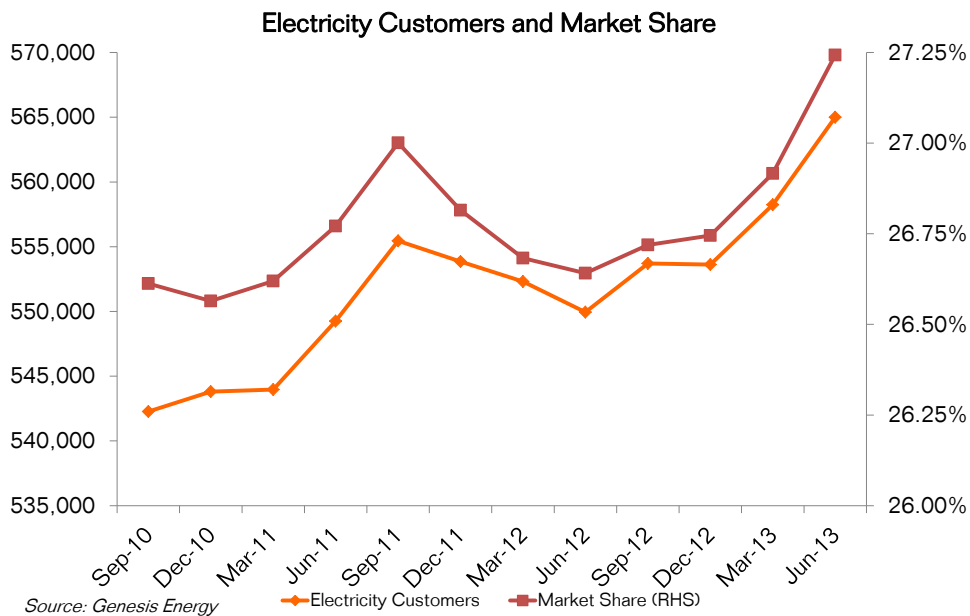
CUSTOMER EXPERIENCE

GROWING VALUE BY INNOVATION AND IMPROVING THE CUSTOMER EXPERIENCE

Genesis Energy continued to add to its customer base in the fourth quarter of 2012/13 and at 30 June 2013 there were 543,774 electricity customers (excluding vacant premises). This is an increase of nearly 7,000 (or 1%) since 31 March 2013, and an increase of over 14,000 (or 3%) since the end of June 2012.

The number of gas customers increased by 2,684 in Q4 versus the previous quarter, and now total 115,003 (excluding vacants). This represents an increase of 2% on Q3 and 3% on Q4 2012. LPG customers total 9,708 and are up 28% since 30 June 2012.

The chart below shows that Genesis Energy has further extended its share of the New Zealand electricity market to 27.2%. The Energy Online business also had a positive growth quarter with customers increasing by 1,002 (or 1.5%) to 68,111.



Genesis Energy retained its number one position in the reticulated gas retail market as its share increased in Q4 to 43.7% from 42.7% in Q3.

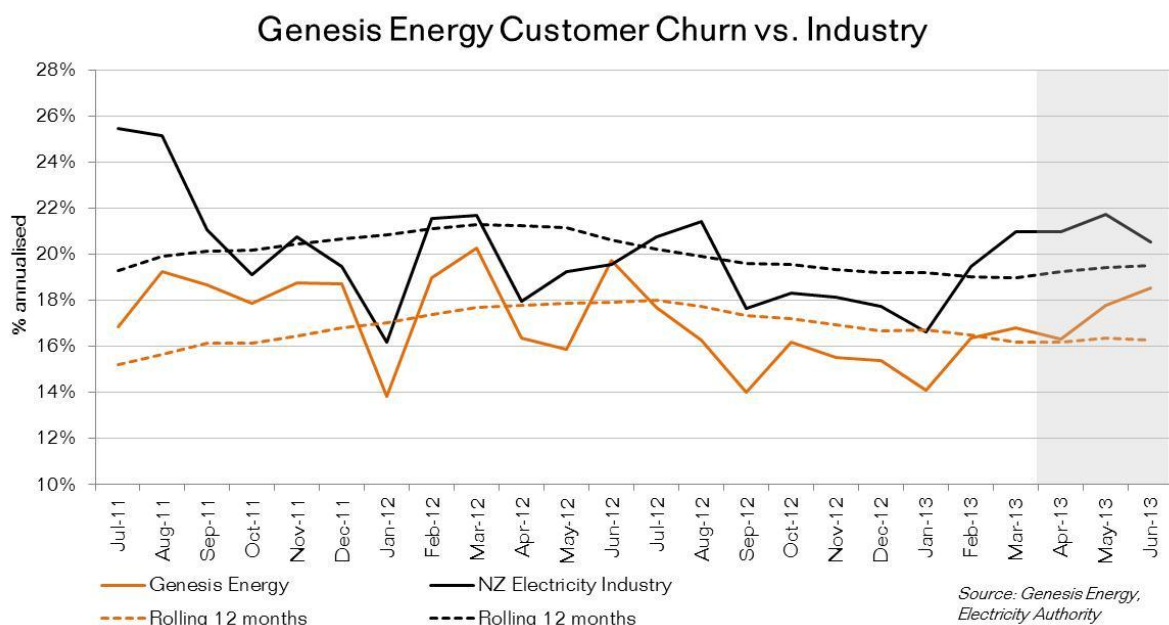
Although the customer base grew in Q4, total retail electricity sales volumes in Q4 2013 were flat year on year at 1,422GWh, as usage per customer was down during the unusually warm autumn. For the same reason, gas retail sales volumes of 1.3PJ were down 16% over the same period, but LPG sales were up 22% to 721 tonnes.

Retail electricity purchase volumes in Q4 2013 were flat at 1,502GWh on Q4 2012 and retail gas purchase volumes were down 17% to 1.4PJ.

At the end of June 2013 there were 327,721 electricity customers that had an Advanced Meter installed in their premises, or 60% of the Genesis Energy customer base.

CUSTOMER MARKETS

Genesis Energy's electricity customer churn rate¹ continues to outperform with a three month churn of 17.8% (on an annualised basis), which was 3.3% points lower than the wider market's average of 21.1%.



Note: Estimated industry churn for June 2013 has been adjusted to account for Mighty River Power's Glo-Bug customers being transferred to a separate entity. Raw churn reported by Electricity Authority equated to 31% on an annualised basis

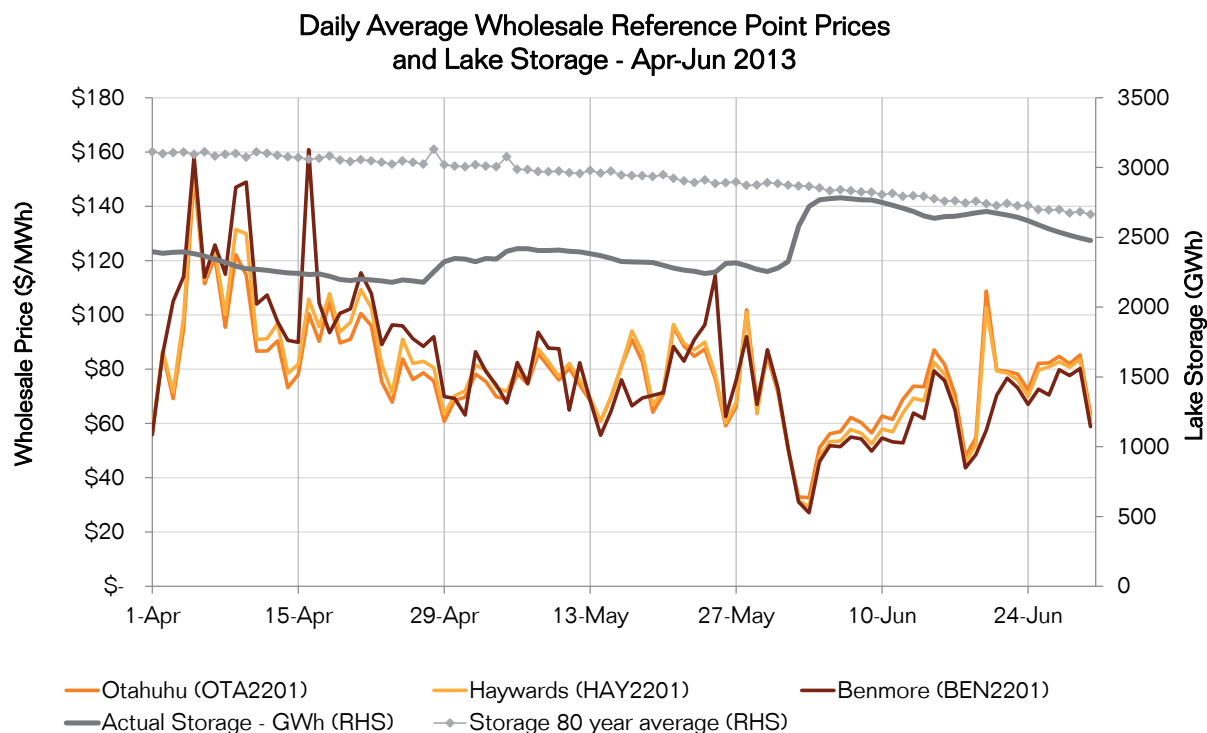
Genesis Energy has also managed to outperform the wider gas market with an average churn of customers over Q4 of 11.8%, versus the market at 19.7%.

In May 2013 Genesis Energy launched the "MyEnergyCoach" online service for customers as well as the "MyMeter" smart phone and tablet application. In June 2013, Genesis Energy started the roll out of a multi-rate tariff for its electricity customers in Christchurch and Hamilton. Called "MyTimeTariff", the structure of off-peak, shoulder and peak rates offers savings for households based on half-hourly reads from an Advanced Meter.

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

WHOLESALE MARKETS

The NZ wholesale electricity market had two distinct periods of activity in the fourth quarter of 2012/13. In the first two months of the quarter, the drought conditions seen in Q3 in much of the North and South Islands persisted with low rainfall and hydro storage across the country up to 28% lower than the long run average. However, a significant rainfall event in early June returned most of the hydro catchments back to their average levels, with further rain throughout June topping lake levels up.



Source: COMIT/Genesis Energy

Drought conditions throughout April and May pushed the average wholesale electricity price beyond \$150/MWh on a number of occasions at the Benmore node in the South Island, with sharp price separation between the North and South Island around the middle of April due to an outage of Pole 2 of the HVDC transmission link. During this two month period prices at Benmore averaged \$91.02/MWh while at Otahuhu (upper North Island), and Haywards (lower North Island) prices averaged \$86.48/MWh and \$83.29/MWh respectively.

The significant rain at the beginning of June drove prices as low as \$27.10/MWh but prices then proceeded to recover to average around \$60/MWh. The average Haywards reference price for the Q4 period was \$79.39/MWh, with averages of \$94.74/MWh, \$78.48/MWh, and \$64.97/MWh in April, May and June 2013, respectively.

Diverse, Flexible and Strategic Generation Portfolio

During the quarter Genesis Energy successfully completed stage one of the Tekapo canal remediation works. Work to line two separate sections of the canal with a protective PVC material finished on 12 April, approximately two weeks ahead of schedule. Generation during Q4 was affected by this outage as well as reduced energy during the warmer than average temperatures throughout April and May.

Genesis Energy's total generation in Q4 was down 19% at 2,094GWh, compared to 2,596GWh in the same quarter last year.

Thermal generation was down 17% at 1,599GWh in Q4 2013 compared to 1,915GWh in Q4 2012, and accounted for 76% of total generation compared to 73% last year. As rain fell during June and the wholesale prices reduced, the thermal plant was run less.

The average price received for generation during this quarter of \$79.43 was 23% lower than the price received in Q4 last year, and 21% lower than in Q3 this year. The LWAP/GWAP ratio in Q4 was 1.03 compared to 1.14 in Q4 2012.

The coal stockpile of 877 kilotonnes is down 17% on the same period last year (1,059 kilotonnes) and is 11% lower than at the end of Q3 (990 kilotonnes).

Genesis Energy's generation emissions were 1,102kt CO₂, 22% lower than Q4 2013 due to the lower thermal generation. The Company's generation portfolio carbon intensity in Q4 at 526tCO₂/GWh was down 3% compared to 540tCO₂/GWh for the same period last year, mainly due to coal fired generation being a lower proportion of total thermal generation.

KUPE OIL AND GAS FIELD

Despite the variability of the wholesale electricity market, Genesis Energy's share of gas and oil production from the Kupe field continues to provide a steady source of cash-flow to the Company. The contribution of Kupe to the Company's quarterly performance emphasises the importance of Genesis Energy's involvement in the New Zealand energy market.

In Q4 the Company's share of gas sales at 1.7PJ was 4% higher than Q4 2012. Oil sales in Q4 were 173kbbbl compared to 140kbbbl in Q4 2012, representing three full months of production. LPG sales at 7.8 kilotonnes were up 14% on Q4 2012 due mainly to increased customer numbers.

} HEALTH AND SAFETY

HEALTH AND SAFETY PERFORMANCE

Genesis Energy experienced no lost-time injuries or serious incidents throughout Q4. Total Recordable Injury Frequency Rate (TRIFR) for the quarter was zero compared to 2.42 for Q4 2012, 2.41 in the previous quarter and a 2012/13 target of 5.49.

These rates show a continuous and significant improvement compared to the previous year, with the 2013 full year TRIFR of 2.36 being 68% lower than 2012.

Genesis Energy had a total of 973 full time equivalent employees as at 30 June 2013, compared to 960 as at 30 June 2012 and 952 at the end of Q3.

MARKET OUTLOOK

NIWA's outlook for July to September 2013 suggests warmer temperatures and normal rainfall resulting in hydro storage levels remaining at similar levels to present. These conditions are likely to accentuate the medium term negative outlook on electricity demand and, at least in the short term, are likely to lead to lower than average wholesale electricity prices.

This outlook is supported by the ASX futures market where prices for the end of September 2013 are at \$57.80/MWh for Otahuhu, falling to \$52.00/MWh by 31 December 2013. Similarly, Benmore is at \$54.80/MWh and \$46.00/MWh, respectively². 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 \$82.50/MWh.

The second period of remediation works on the Tekapo Canal, which will involve another outage of the Tekapo A and B hydro stations, is scheduled for the summer construction season of fiscal 2014.

Genesis Energy expects energy usage across mass market customers to increase in Q1 and Q2 of 2014 reflecting winter months. The Company will continue to effectively manage its diverse and reliable portfolio of assets to deliver a consistent performance.

² ASX update as at 3 July 2013.

APPENDIX A: OPERATIONAL INFORMATION

Operational Information

| Genesis Energy Operational Information* | Fourth Quarter (April to June) | | | | Full Year | | | |
|--|--------------------------------|---------|----------|----------|-----------|---------|----------|----------|
| | 2012/13 | 2011/12 | % Change | Change | 2012/13 | 2011/12 | % Change | Change |
| Market Information | | | | | | | | |
| Customer-focus | | | | | | | | |
| Electricity Market Share (%) [1] | 27.2% | 26.6% | 2.3% | 0.6% | | | | |
| Gas Market Share (%) [1] | 43.7% | 42.7% | 2.2% | 1.0% | | | | |
| Customer Experience | | | | | | | | |
| Customer-focus | | | | | | | | |
| Customer Satisfaction (%) [2] | 94.0% | 93.0% | 1.1% | 1.0% | | | | |
| Total Advanced Meters Installed During Period (#) | 15,027 | 14,323 | 4.9% | 704 | 60,046 | 89,573 | -33.0% | -29,527 |
| Total Advanced Meters Installed To Date (#) | 327,721 | 267,675 | 22.4% | 60,046 | | | | |
| Customer Numbers | | | | | | | | |
| Total Customer Numbers (#) [3] | 681,079 | 662,666 | 2.8% | 18,413 | | | | |
| <i>Total Customers by Product:</i> | | | | | | | | |
| Electricity Customer Numbers (#) | 564,997 | 549,948 | 2.7% | 15,049 | | | | |
| Electricity Customers Excluding Vacants (#) | 543,774 | 529,342 | 2.7% | 14,432 | | | | |
| Gas Customer Numbers (#) | 116,082 | 112,718 | 3.0% | 3,364 | | | | |
| Gas Customers Excluding Vacants (#) | 115,003 | 111,578 | 3.1% | 3,425 | | | | |
| LPG Customer Numbers (#) | 9,708 | 7,610 | 27.6% | 2,098 | | | | |
| <i>Total Electricity Customers by Location:</i> | | | | | | | | |
| North Island Electricity Customer Numbers (#) | 461,370 | 461,407 | 0.0% | -37 | | | | |
| South Island Electricity Customer Numbers (#) | 82,404 | 67,935 | 21.3% | 14,469 | | | | |
| Customer Volumes and Price | | | | | | | | |
| Retail Electricity Sales (GWh) | 1,422 | 1,411 | 0.8% | 11 | 5,354 | 5,429 | -1.4% | -75 |
| Retail Gas Sales (PJ) | 1.3 | 1.6 | -16.4% | -0.3 | 5.0 | 5.4 | -8.2% | -0.4 |
| Retail LPG Sales (tonnes) | 721 | 593 | 21.7% | 128 | 2,445 | 2,002 | 22.1% | 443 |
| Retail Electricity Purchases (GWh) | 1,502 | 1,491 | 0.7% | 11 | 5,693 | 5,781 | -1.5% | -88 |
| Retail Gas Purchases (PJ) | 1.4 | 1.7 | -17.1% | -0.3 | 5.0 | 5.6 | -10.7% | -0.6 |
| Average Retail Electricity Purchase Price (\$/MWh) [4] | 81.89 | 117.64 | -30.4% | -\$35.75 | 76.88 | 96.44 | -20.3% | -\$19.56 |
| Energy Management | | | | | | | | |
| Generation | | | | | | | | |
| Gas (GWh)+ | 808 | 804 | 0.5% | 4 | 2,732 | 3,041 | -10.2% | -309 |
| Coal (GWh)+ | 790 | 1,110 | -28.8% | -320 | 2,259 | 2,613 | -13.6% | -354 |
| Total Thermal (GWh) | 1,599 | 1,915 | -16.5% | -316 | 4,991 | 5,654 | -11.7% | -663 |
| Hydro (GWh) | 491 | 675 | -27.3% | -185 | 2,200 | 2,788 | -21.1% | -588 |
| Wind (GWh) | 5 | 6 | -15.9% | -0.9 | 21 | 25 | -13.6% | -3.3 |
| Total Renewable (GWh) | 495 | 681 | -27.2% | -186 | 2,221 | 2,812 | -21.0% | -591 |
| Total Generation (GWh) | 2,094 | 2,596 | -19.3% | -501.7 | 7,212 | 8,467 | -14.8% | -1,254.7 |
| <i>Generation by Location:</i> | | | | | | | | |
| North Island (GWh) | 1,883 | 2,400 | -21.6% | -518 | 6,431 | 7,581 | -15.2% | -1,150 |
| South Island (GWh) | 211 | 195 | 8.2% | 16 | 781 | 885 | -11.8% | -105 |
| Average Price Received for Generation (\$/MWh) [4] | 79.43 | 103.14 | -23.0% | -\$23.72 | 75.60 | 91.10 | -17.0% | -\$15.50 |
| Generation Emissions (ktCO ₂) | 1,102 | 1,403 | -21.5% | -301.0 | 3,329 | 3,781 | -12.0% | -452.1 |
| Generation Carbon Intensity (tCO ₂ /GWh) | 526 | 540 | -2.6% | -14.3 | 462 | 447 | 3.4% | 15.0 |
| Fuel | | | | | | | | |
| Gas Purchases (PJ) | 11.4 | 11.7 | -2.8% | -0.3 | 38.6 | 44.1 | -12.5% | -5.5 |
| Coal Purchases (PJ) | 6.0 | 3.7 | 63.7% | 2.3 | 21.5 | 19.4 | 11.0% | 2.1 |
| Wholesale Gas Sales (PJ) | 3.8 | 4.0 | -5.2% | -0.2 | 12.6 | 15.4 | -18.4% | -2.8 |
| Wholesale Coal Sales (PJ) | 0.0 | 0.0 | -100.0% | 0.0 | 1.3 | 1.6 | -21.3% | -0.4 |
| Gas Used In Internal Generation (PJ) | 6.2 | 6.0 | 2.8% | 0.17 | 21.0 | 23.1 | -8.9% | -2.1 |
| Coal Used In Internal Generation (PJ) [5] | 8.5 | 11.8 | -28.4% | -3.4 | 24.2 | 28.1 | -13.9% | -3.9 |
| Coal Stockpile - closing balance (kilotonnes) | 877 | 1,059 | -17.2% | -182 | 877 | 1,059 | -17.2% | -182 |
| Kupe Oil and Gas Field Investment | | | | | | | | |
| Genesis Energy Sales Share | | | | | | | | |
| Gas Sales (PJ) | 1.7 | 1.6 | 3.6% | 0.1 | 5.6 | 5.9 | -5.1% | -0.3 |
| Oil Sales (kbbbl) | 172.8 | 139.8 | 23.6% | 33 | 509.1 | 531.3 | -4.2% | -22 |
| LPG Sales (kilotonnes) | 7.8 | 6.9 | 14.0% | 1.0 | 24.0 | 23.8 | 0.5% | 0.1 |

Notes:

[1] June 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.