



meridian

Release

Stock exchange listings: NZX (MEL) ASX (MEZ)

Meridian delivers retail sales led growth

24 February 2016

Meridian Energy has delivered another solid interim result for the six months ended 31 December 2015, with higher earnings mainly from increased retail sales volume compared to the same period last year.

Meridian's Net Profit After Tax (NPAT) was \$104 million, while Underlying NPAT (which excludes the effects of non-cash fair value movements, gains on sale of assets, impairments and other one off items) was \$122 million.

Retail performance strong against last year

Meridian Chief Executive Mark Binns said it's pleasing that both the New Zealand and Australian operations have reported higher earnings.

Compared with the same period last year, earnings before interest and taxation, depreciation and amortisation, changes in fair value of hedges and other significant items (EBITDAF) was up \$8 million to \$332 million for the six months ended 31 December 2015.

The result was due mainly to an increase in retail sales, with corporate and industrial volumes up 4% and residential and small business volumes up 6%.

"Over the past year we've made a concerted push into the small business segment and it's rewarding to see this increase," Mr Binns said.

In Australia there was a meaningful increase in sales volume, with the number of Powershop Australia customers increasing by 32% to more than 63,000.

"We are also excited to be progressing our franchise license agreement with UK retailer npower which will take the Powershop service and brand to the Northern Hemisphere," Mr Binns said.

Dividends and capital management

Meridian will pay an ordinary dividend of 5.1 cents per share which is 6% higher than last year. This will be imputed to 85% and paid on 15 April 2016.

Due to the strong trading of the company, Meridian will also pay a special dividend of 2.4 cents per share, equating to \$62.5 million, as part of our five-year Capital Management Plan.

This brings the amount distributed under the Capital Management Plan since commencement in August 2015 to \$125 million, or 4.9 cents per share.

ENDS

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