

15 July 2014

Z Energy operational data for quarter ended June 2014



Health, safety, security and environment (HSSE)

	June 2014	June 2013	March 2014	March 2013
Lost time injuries	5	5	1	1
Spills to ground	0	0	0	1
Robberies	1	0	1	1
Fuel quality incidents	0	0	0	0
Process safety incidents	0	0	0	0

Fuels

	June 2014	June 2013	March 2014	March 2013
Total industry volumes (all fuels, ml) ¹	1,947	1,920	2,109	2,077
Z total fuel volumes (millions of litres (ml))	669	596	613	637
Petrol (ml)	201	209	205	217
Diesel (ml)	209	197	220	212
Other fuels (ml)	138	149	187	193
Supply/Export sales (ml)	122 ²	42	1	15
Average Ministry of Business, Innovation and Employment (MBIE) retail importer margin (cpl)³				
Petrol	29.4	27.2	28.2	25.6
Diesel	34.4	29.0	32.0	28.0

1 Excludes supply/export sales

2 Includes the export of crude residues associated with the extended outage at Refining NZ and the sale of crude to a competitor through the establishment of the BP, Z and Refining NZ efficiency collaboration

3 MBIE provides public benchmark data around importer margins. More information is available at: <http://www.med.govt.nz/sectors-industries/energy/liquid-fuel-market/weekly-oil-price-monitoring/Graphs.pdf>

Refining

	June 2014	June 2013	March 2014	March 2013
Refining NZ gross refining margin (GRM):				
USD GRM per barrel ⁴	(2.72)	6.84	3.86	5.03
NZD GRM per barrel ⁵	(3.16)	8.65	4.66	6.08

(Please see note below on impact of refining margins)

Customer experience

	June 2014	June 2013	March 2014	March 2013
Commercial customer satisfaction ⁶	83%	83%	83%	84%
Retail customer satisfaction ⁷	70%	82%	79%	80%
Total Z transaction count	14.2 million	14.0 million	14.6 million	15.0 million
Retail: fuel-only transactions	7.6 million	7.8 million	7.7 million	8.1 million
Retail: fuel and shop transactions	2 million	2 million	2.2 million	2.3 million
Retail: shop only transactions	4.6 million	4.2 million	4.7 million	4.6 million
Number of service stations ⁸	213	213	213	211
Average weekly shop sales	\$24,618	\$24,870	\$27,240	\$26,918
Number of truck stops	93	94	93	94

4 This number is from Refining NZ published data for the relevant quarter.

5 The NZD conversion is calculated by Z.

6 Customer satisfaction determined using ongoing internal customer measurement.

7 From June 2014 the retail customer satisfaction measure is calculated based on feedback received from randomly generated, automated invitations from the point of sale system. Prior to this date customer responses were not sought on a random basis. The difference in the measure from prior quarters is largely accounted for by the change in methodology.

8 Two service stations have opened and two have closed during this period.

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Note on impact of refining margins

Year to date earnings from refinery related activities will be impacted in the following ways:

- the export of residue as a consequence of the extended refinery shutdown over March and April
- through reduced refining margins payable to Z
- through Z's payment of the refinery fee floor, of \$9.7 million under the terms of the processing agreement with Refining NZ over April, May and June.

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