

# Discovering Our Energy Future

Interim Results 2013



# HY2013 Financial Results Highlights



- 3 cps interim dividend
- Solid cash flows from operations
- Investment in Cosmos expensed
- Large cash reserves
- Able to pay dividends and reinvest in growth

# Interim Div

- 3 cents per share
- Fully imputed
- Paid on 5 April to shareholders at 15 March

# Financial Summary



		1H13	1H12	Change
Production	<i>mmboe</i>	0.5	0.6	-16%
Ave Sales Price (oil & light oil)	<i>US\$/bbl</i>	111.6	113.0	-1%
<b>In NZ\$ million</b>				
Revenue		47.9	54.6	-12%
EBITDAX		27.9	33.0	-15%
Exploration write-offs		(6.5)	(0.6)	-983%
EBITDA*		21.4	32.4	-34%
EBIT		10.5	18.0	-42%
<b>Net Profit After Tax</b>		<b>7.7</b>	<b>1.7</b>	<b>353%</b>
<b>Normalised Profit After Tax**</b>		<b>7.1</b>	<b>19.1</b>	<b>-63%</b>
<b>Net Operating Cash Flow</b>		<b>25.2</b>	<b>26.5</b>	<b>-5%</b>

## Abnormal Items

<b>In NZ\$ million</b>	1H13	1H12
<b>PRCL related gains/(losses)</b>		
- Net fair value loss on bonds	-	(4.1)
- Secured and Unsecured debt and interest	2.0	(18.1)
PRCL related gains/(losses)	2.0	(22.2)
Foreign Exchange gains/(losses) (net of tax)	(1.4)	4.8
<b>Total Abnormal Items</b>	<b>0.6</b>	<b>(17.4)</b>

\* Earnings Before Interest, Tax, Depreciation and Amortisation and Exploration write-offs

\*\* Net Profit After Tax excluding Abnormal Items

# Producing Assets

## Contribution by field



In NZ\$ million	Kupe	Tui	Other	1H13
Revenue	31.2	16.6		47.9
EBITDAX	22.7	10.2	(5.0)	27.9
Exploration write-offs			(6.5)	(6.5)
Depreciation and Amortisation	(8.4)	(2.4)	(0.0)	(10.8)
EBIT	14.3	7.8	(11.5)	10.5

In NZ\$ million	Kupe	Tui	Other	1H12
Revenue	37.1	17.5		54.6
EBITDAX	24.7	12.2	(3.9)	33.0
Exploration write-offs			(0.6)	(0.6)
Depreciation and Amortisation	(10.8)	(3.6)	(0.1)	(14.5)
EBIT	14.0	8.6	(4.6)	18.0

# Cash Flows

In NZ\$ million	1H13	1H12
Cash flows from operating activities	25.2	26.5
Cash flows from investing activities	1.6	25.3
Cash flows from financing activities	(24.1)	(15.3)
<b>Net Increase in cash and cash equivalents</b>	2.7	36.5

# Investments, Cash and Debt



## **Investments**

\$18m in Exploration and Evaluation Assets

\$11m in Pan Pacific Petroleum (PPP)

## **Cash Position at 31 December 2012**

\$209 million cash balance (including US\$87m)

\$38 million debt facility, fully drawn

\$171 million net cash

# The search for new assets

Our job is to balance a range of risks:

Overseas exploration.

New NZ basins.

Timeline and resource to bring discoveries to production

New producing assets needed medium term.



# Portfolio development



## Offshore

Drilling underway in Kisanan

## NZ activity

New Taranaki permits

Return to onshore

Interest in entering new basins

# Portfolio development

Even with success, new exploration is 5-8 years from producing

We are seeking new producing assets.