

**For immediate release  
13 November 2017**

**KCE announces interim result**

Taumarunui, New Zealand - King Country Energy (KCE) today announced its interim result for the six months ended 30 September 2017.

Reported earnings before interest, tax, depreciation, amortisation and fair value movements on financial instruments (EBITDAF) were \$9.4 million for the period, a 30% increase on in the prior corresponding six-month period.

Consolidated earnings after tax were \$4.1 million for the period, a fivefold increase on the corresponding six-month period.

KCE Chairman Toby Stevenson said, "The result is well above expectations due to very good hydrology coupled with high hydro plant availability, and generally good wholesale electricity prices."

The company generated net operating cash flows of \$5.9 million compared with \$3.8 million for the six months ended 30 September 2016.

Retail sales volume for the current period was 111 GWh.

Generation output was 121 GWh, higher than budgeted, due to good rainfall across KCE's generation sites.

In the period KCE was named an award winner in the Safeguard New Zealand Workplace Health and Safety Awards. This is a pleasing endorsement of our focus on keeping our people and our work environments safe.

KCE declared an interim cash dividend of 20.0 cents per share, partially imputed to 1.98 cents per share, resulting in a gross dividend of 21.98 cents per share.

The dividend has a record date of 4 December 2017 and a payment date of 12 December 2017.

[1] The table below shows the key financial results and reconciliation of Net Profit after Tax to EBITDAF.

<b>Key Financial Results (\$000)</b>	<b>Six months to 30 September 2017 (unaudited)</b>	<b>Six months to 30 September 2016 (unaudited)</b>	<b>Year months to 31 March 2017 (audited)</b>
<b>Total Revenue</b>	<b>25,997</b>	<b>23,993</b>	<b>45,866</b>
<b>Consolidated Profit Before Financial Instruments</b>	<b>6,623</b>	<b>4,437</b>	<b>8,853</b>
<b>Consolidated Profit Before Tax</b>	<b>5,665</b>	<b>1,100</b>	<b>5,325</b>
<b>Consolidated Profit After Tax</b>	<b>4,078</b>	<b>768</b>	<b>3,874</b>
Income Tax Expense	1,587	332	1,451
Fair Value Movement on Derivatives (Gain)/Loss	958	3,337	3,528
Net Interest Cost	480	495	947
Depreciation, Amortisation & Impairment	2,308	2,302	4,691
<b>EBITDAF</b>	<b>9,411</b>	<b>7,235</b>	<b>14,491</b>

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For more information about KCE, visit: [www.kce.co.nz](http://www.kce.co.nz).

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