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STOCK EXCHANGE LISTINGS: NEW ZEALAND (MCY) / AUSTRALIA (MCY)

NEWS RELEASE

FY2021 EBITDAF guidance revised to $460 million

9 June 2021 – Mercury announced today that it has revised its FY2021 EBITDAF guidance from $520 million to $460 million. This reflects:

- a forecast 200 GWh decrease in full year hydro generation to 3,600 GWh due to continued dry weather in the Taupo catchment;
- an unplanned outage of the Kawerau geothermal power station;
- elevated wholesale prices with spot prices for Q4-FY2021 to-date averaging approximately $285/MWh in Auckland; and
- higher associate earnings from Tilt Renewables Limited.

Investigations are ongoing, following an unplanned outage of the Kawerau geothermal power station as a result of a mechanical failure on 7 June. At this time, it is unclear how long the station will be out of service although it is anticipated to be several months, which includes the remainder of FY2021. We expect to provide a further update once we are able to estimate with greater certainty the time required to bring the station back to full operation. Mercury has a business interruption insurance policy subject to a 30-day deductible and revenue caps to provide relief for events of this nature.

Guidance may change and remains subject to any material events, significant one-off expenses or other unforeseen circumstances including changes to hydrological conditions.

ENDS
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ABOUT MERCURY NZ LIMITED
Mercury's mission is energy freedom. Our purpose is to inspire New Zealanders to enjoy energy in more wonderful ways and our goal is to be New Zealand's leading energy brand. We focus on our customers, our people, our partners and our country; maintain a long-term view of sustainability; and promote wonderful choices. Mercury is energy made wonderful. Visit us at: www.mercury.co.nz