

NATURAL GAS CORPORATION

**Phil James**  
Chief Executive Officer

***Winning in New Zealand***



# Natural Gas Corporation



# overview

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good growth prospects

great continuing businesses



an early return to profitability

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Overview

# continuing businesses



## Overview

# continuing businesses



Asset  
Management

- Processing
- Transmission
- Distribution
- Generation

EBITDA <sup>1</sup>

\$43.2m

EBIT <sup>1</sup>

\$35.7m

ROFE <sup>2</sup>

16.1%

<sup>1</sup> NGC half year results 31/12/01

<sup>2</sup> ROFE - extrapolated return based on half year results 31/12/01

## Overview

# continuing businesses



Asset Management	<ul style="list-style-type: none"><li>• Processing</li><li>• Transmission</li><li>• Distribution</li><li>• Generation</li></ul>	EBITDA <sup>1</sup> \$43.2m	EBIT <sup>1</sup> \$35.7m	ROFE <sup>2</sup> 16.1%
Energy Services	<ul style="list-style-type: none"><li>• LPG</li><li>• Metering</li><li>• Retail Services</li><li>• Utilisation</li></ul>	\$27.7m	\$19.7m	12.2%

<sup>1</sup> NGC half year results 31/12/01

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## Overview

# continuing businesses



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Wholesale Energy	<ul style="list-style-type: none"><li>• Gas</li><li>• Electricity</li><li>• Energy Sales</li><li>• Development</li></ul>	\$121.4m	\$69.0m	13.4%

<sup>1</sup> NGC half year results 31/12/01

<sup>2</sup> ROFE - extrapolated return based on half year results 31/12/01

# Asset Management

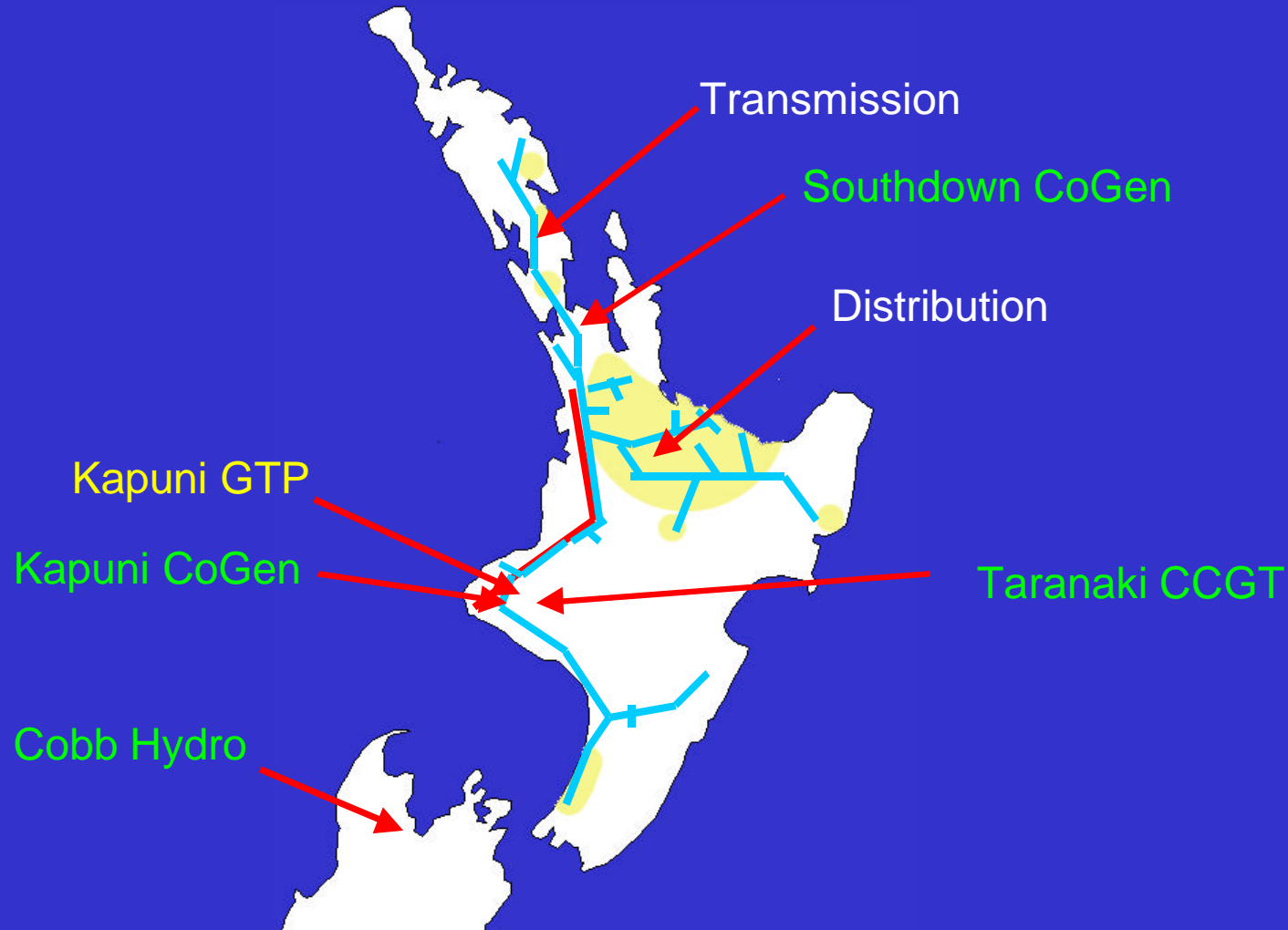
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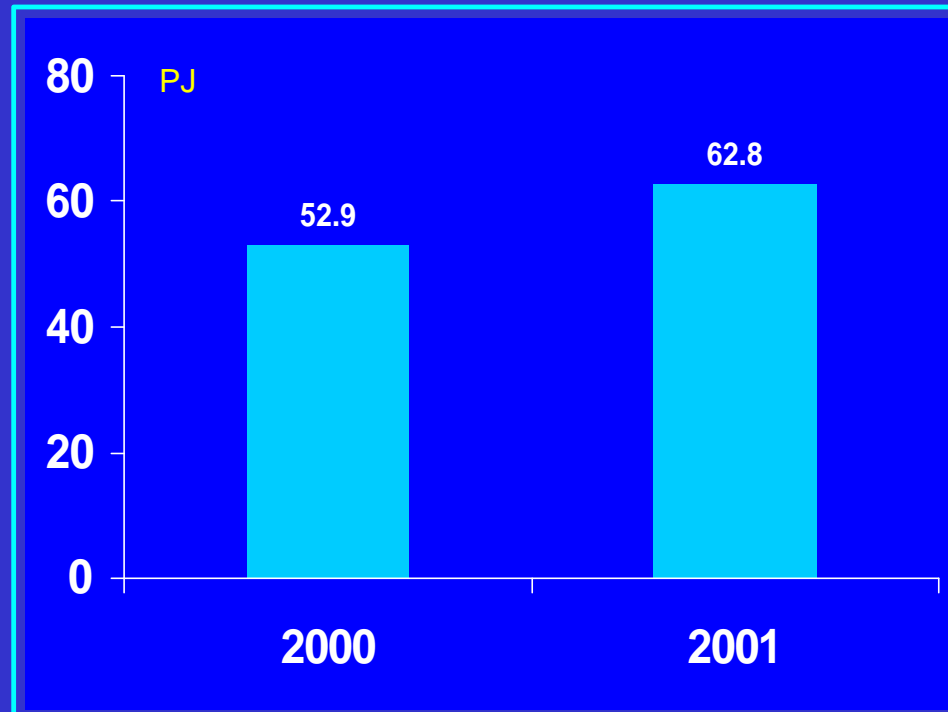
Transmission	<ul style="list-style-type: none"><li>• 2,500 km high pressure pipelines</li><li>• 90 PJ throughput</li></ul>
Distribution	<ul style="list-style-type: none"><li>• 2,640 km distribution networks</li><li>• 10 PJ throughput</li></ul>
Processing	<ul style="list-style-type: none"><li>• 61,000 tonnes liquids</li><li>• 4-8PJ natural gas</li></ul>
Generation	<ul style="list-style-type: none"><li>• Interests of 455 MW (3,600 GWh)</li><li>• Plant availability over 90%</li></ul>

*all volumes annual*



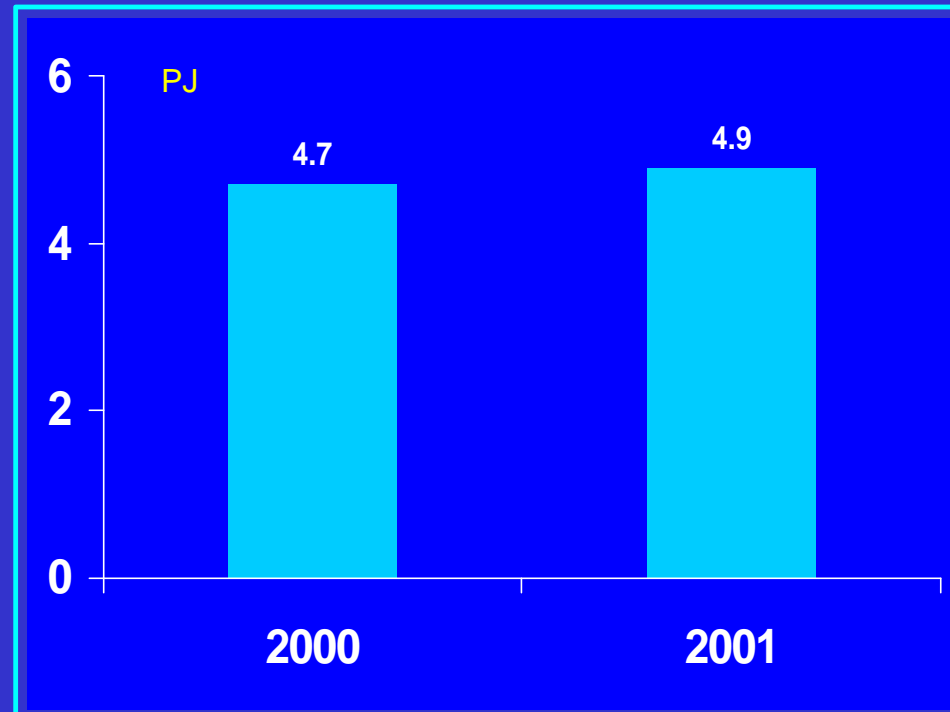


- *sales volumes up 18%...*





- *sales volumes up 4.2%...*





- *ACIL discussion paper...*
- *review of valuation methodology...*
- *ownership separation...*

# Energy Services

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Energy  
Services

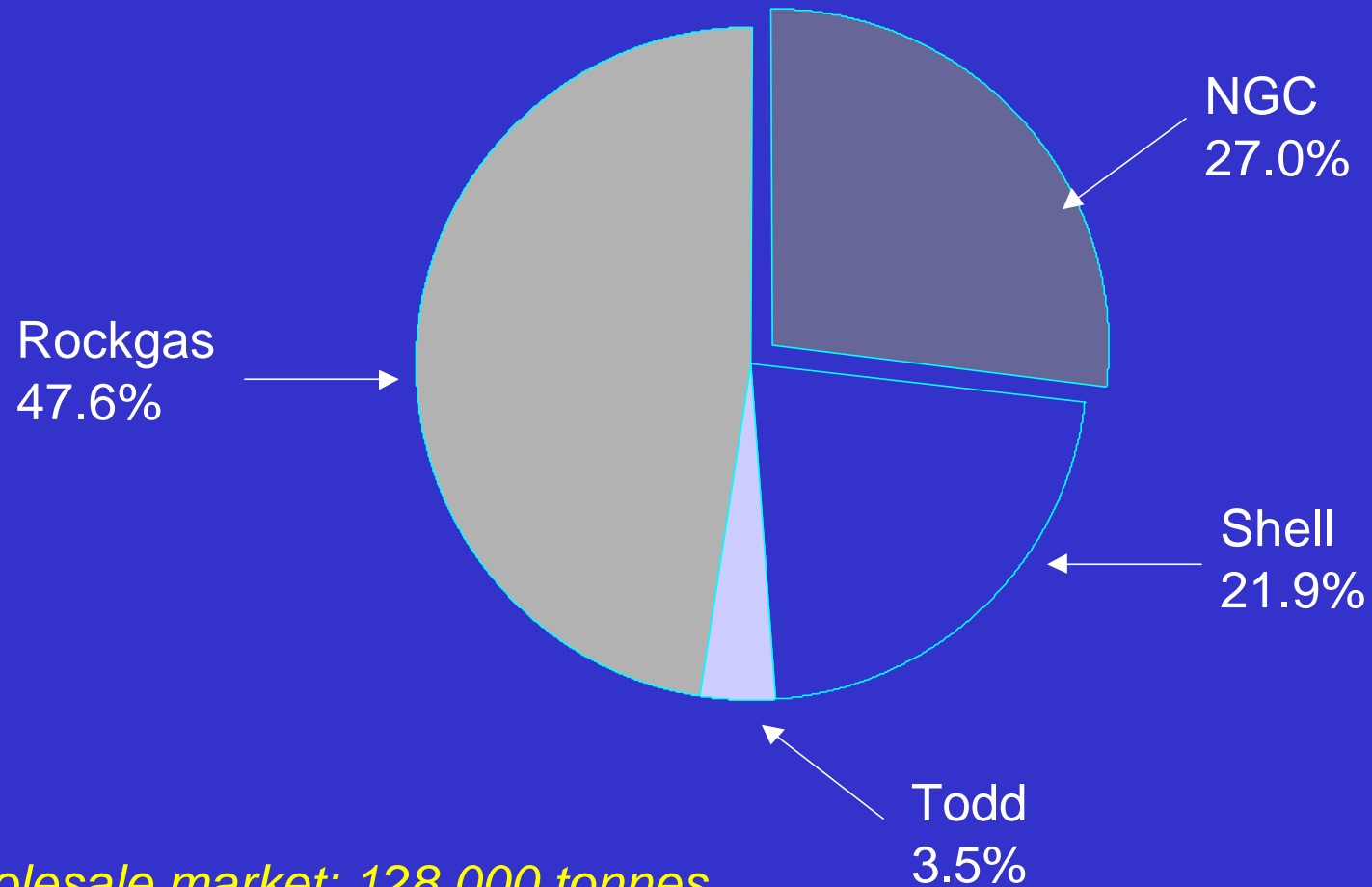
# Lpg business



- *expanding market...*
- *national brand focus...*



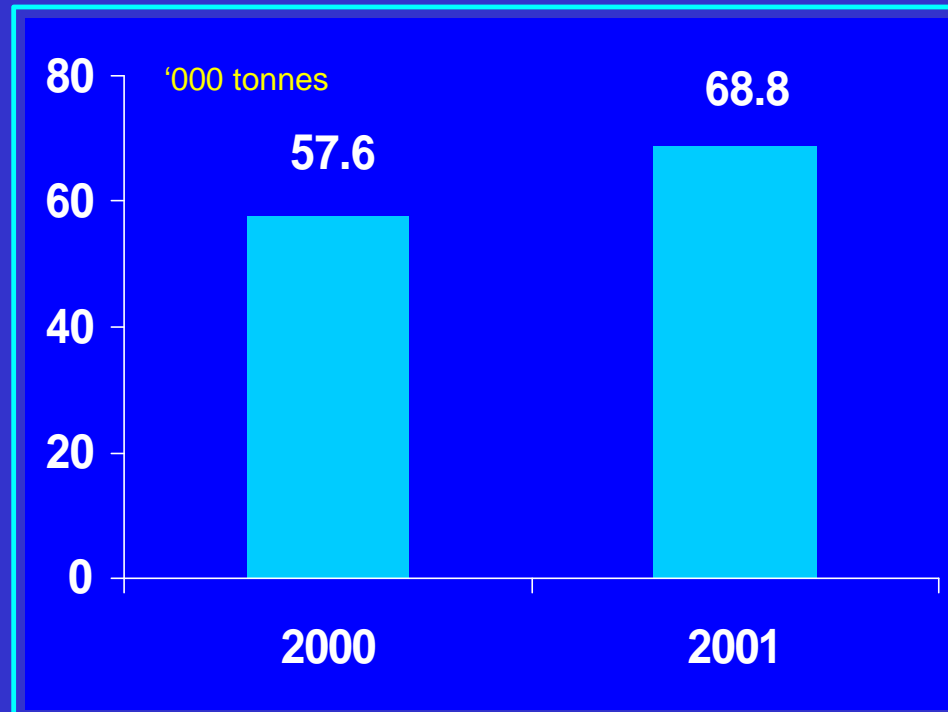
# lpg market share



*wholesale market: 128,000 tonnes*

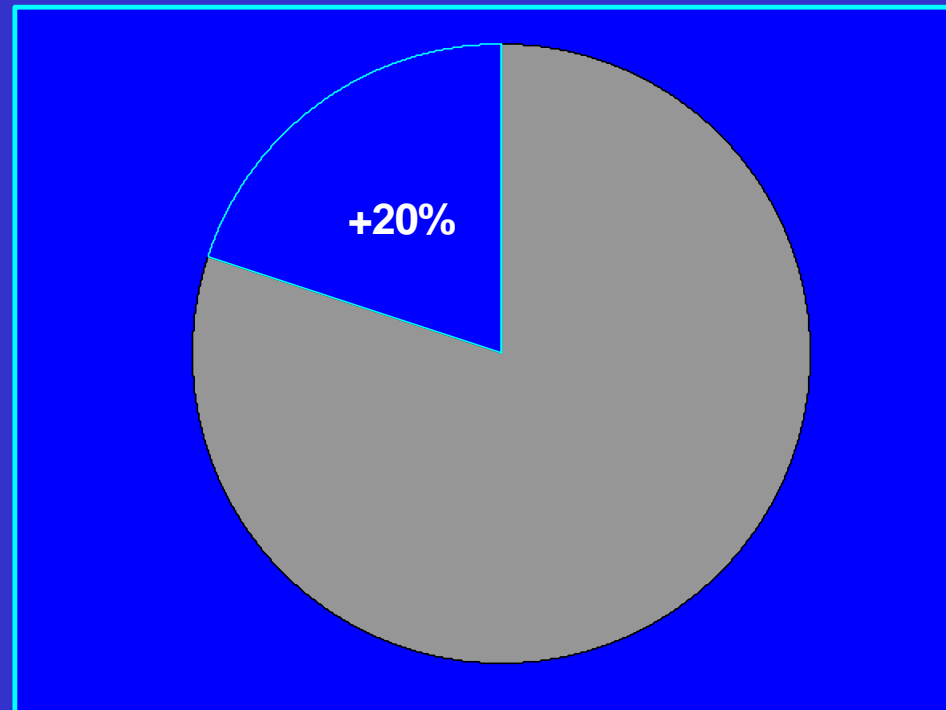


- *sales up 19.4%...*



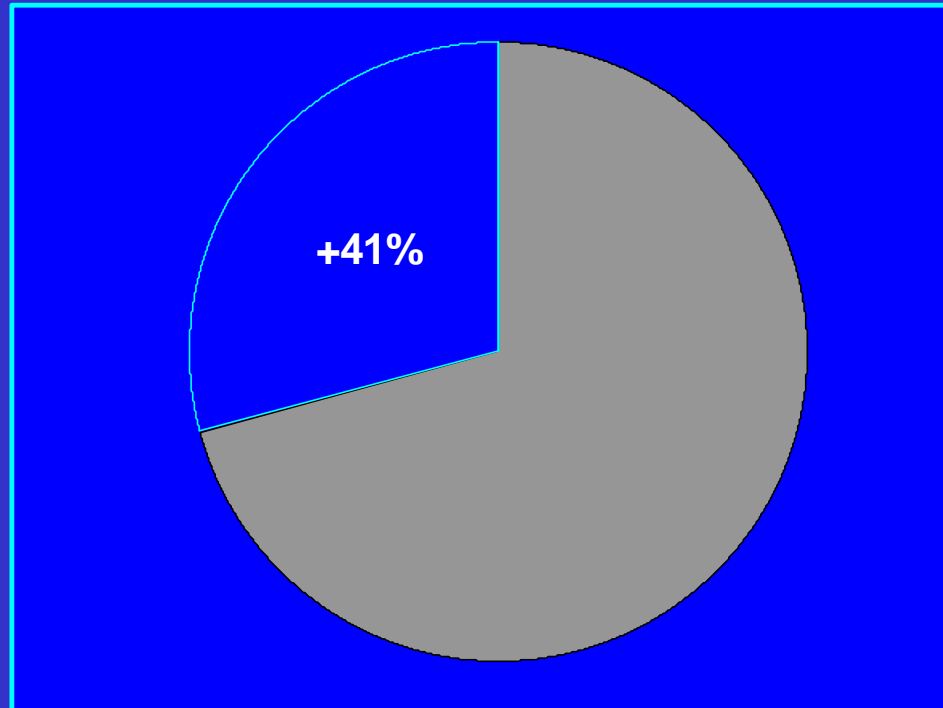


- *growth by acquisition...*





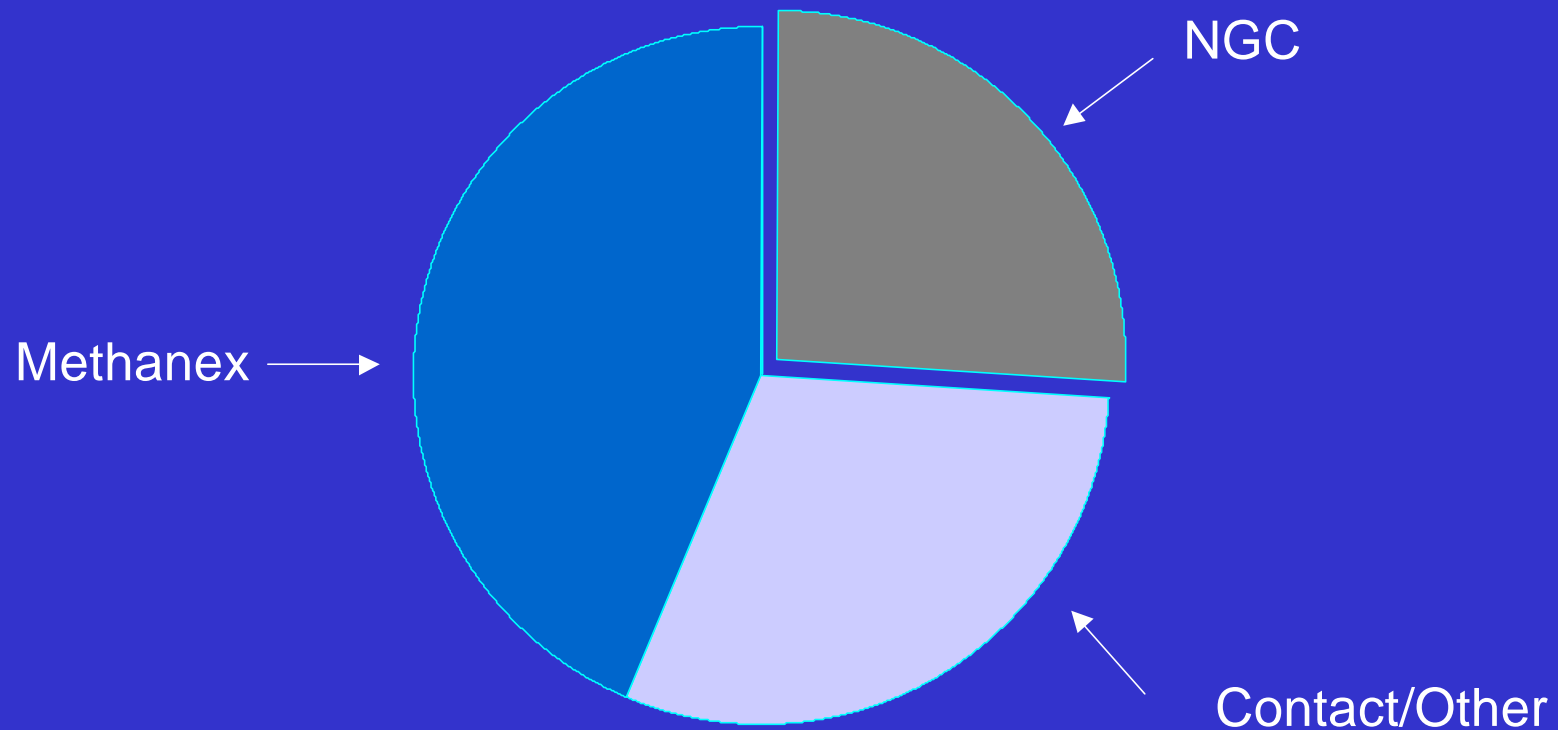
- *leveraging the cost base...*



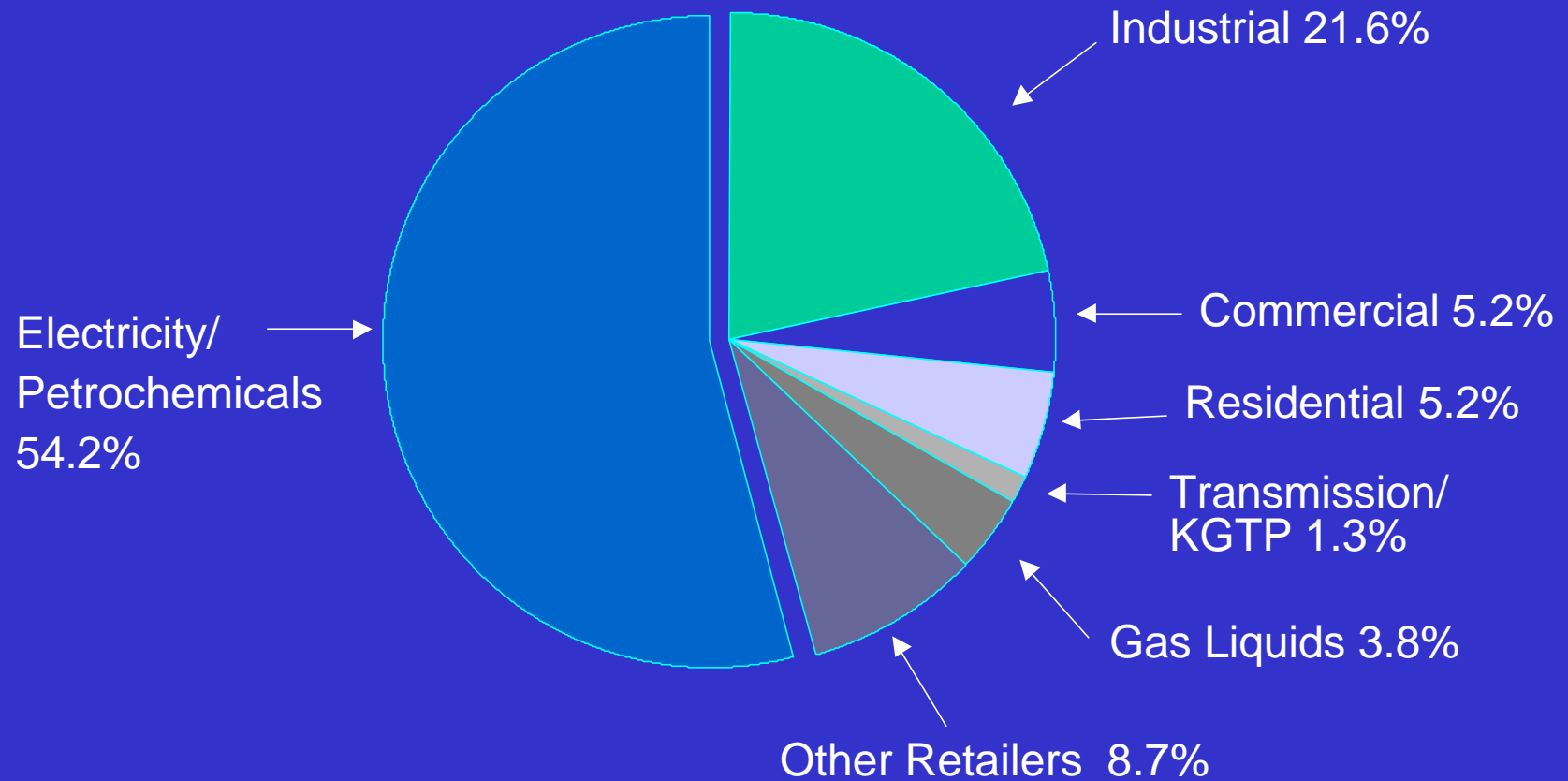
# Wholesale Energy

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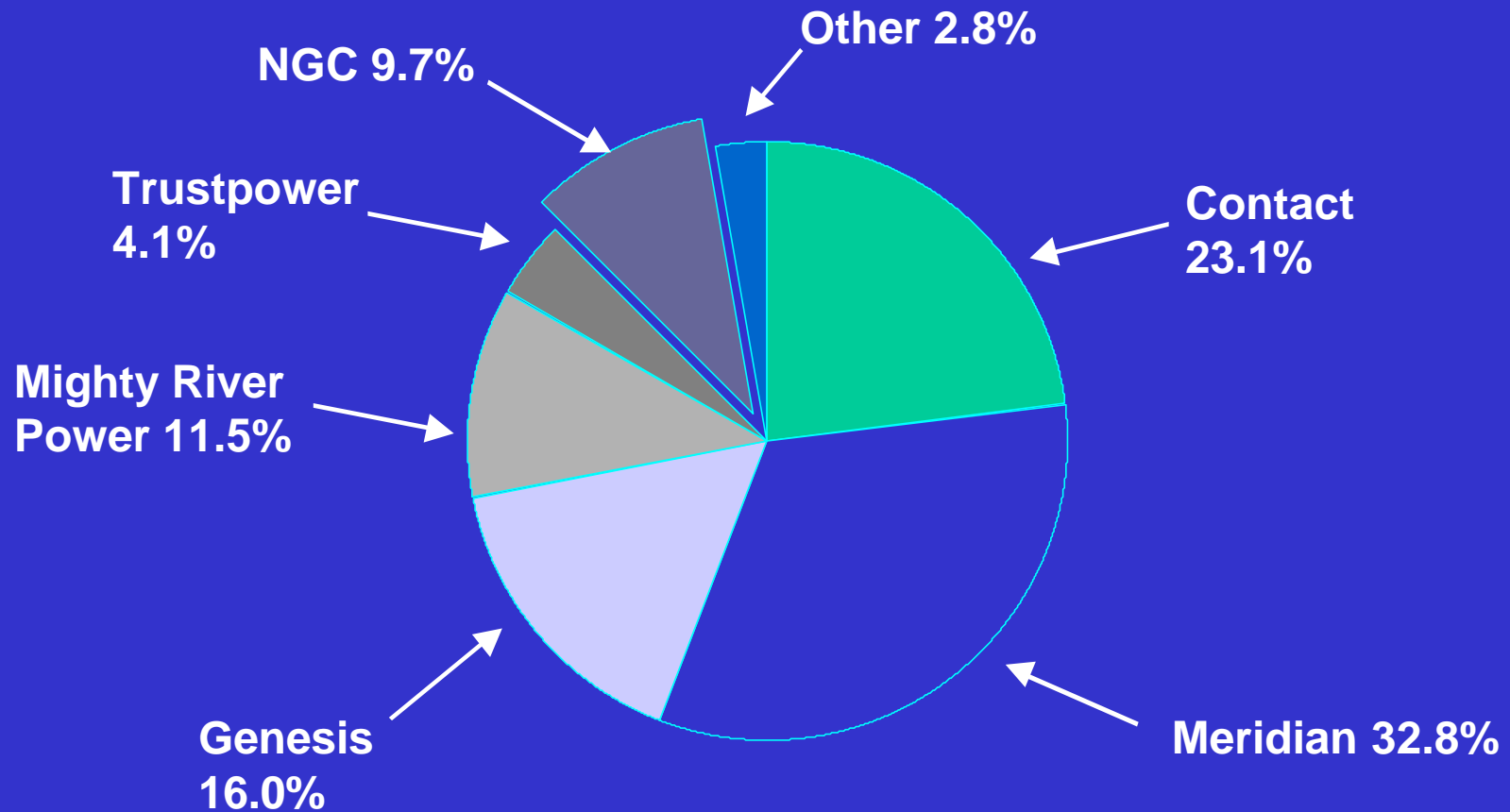




*annual gas sales: 230PJ*



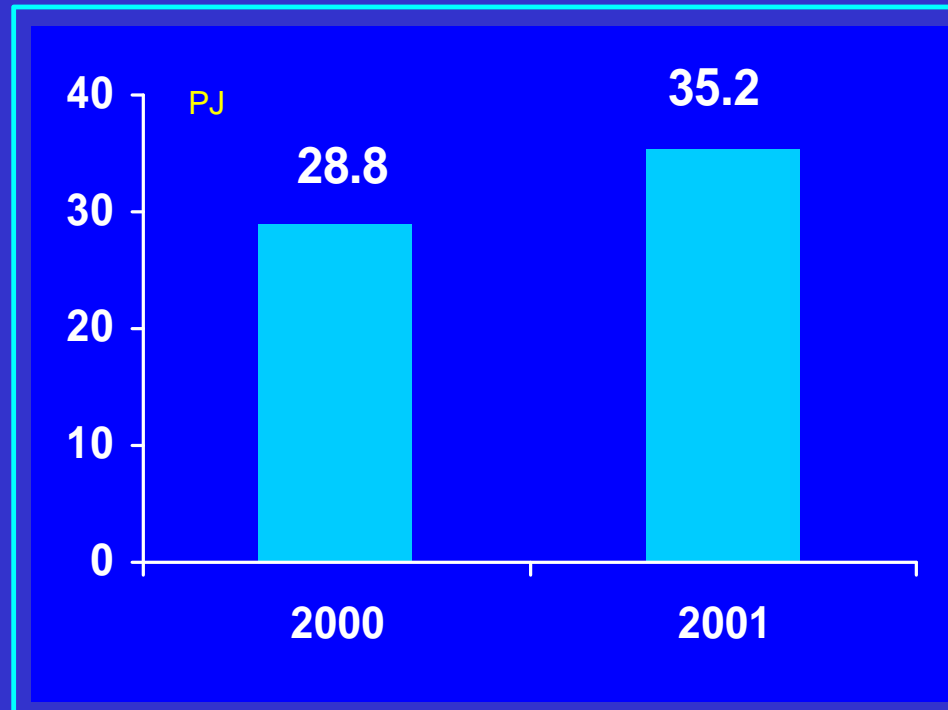
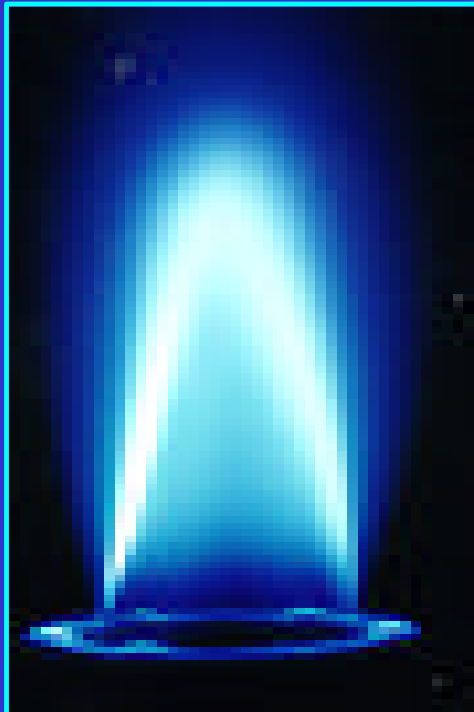
*annual gas sales: 60PJ+*



*annual generation: 36,600 GWh*

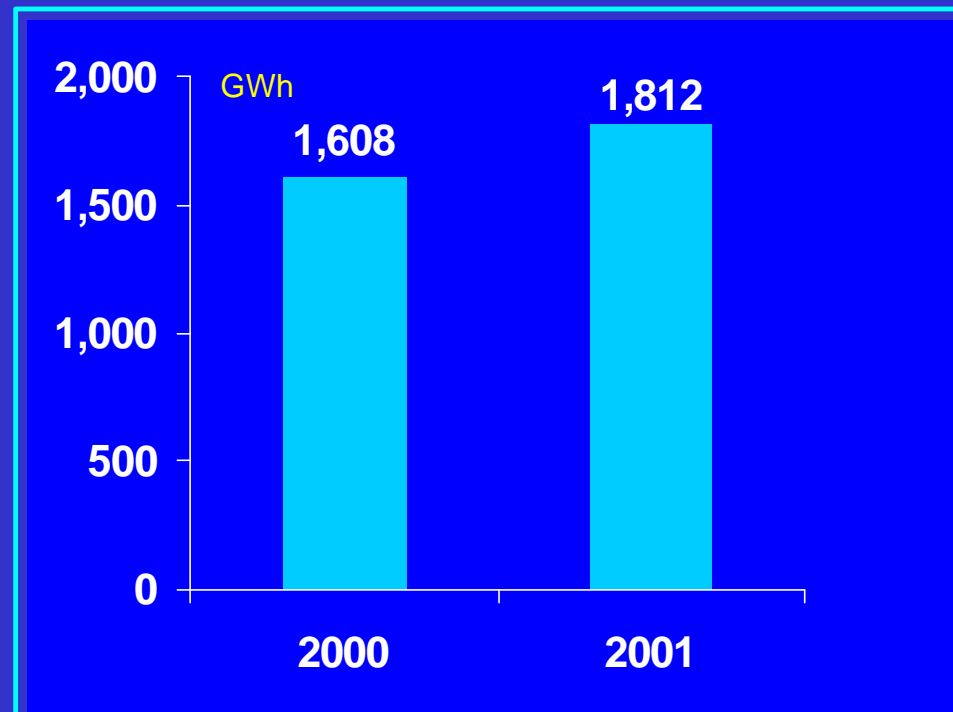


- *sales volumes up 22%...*

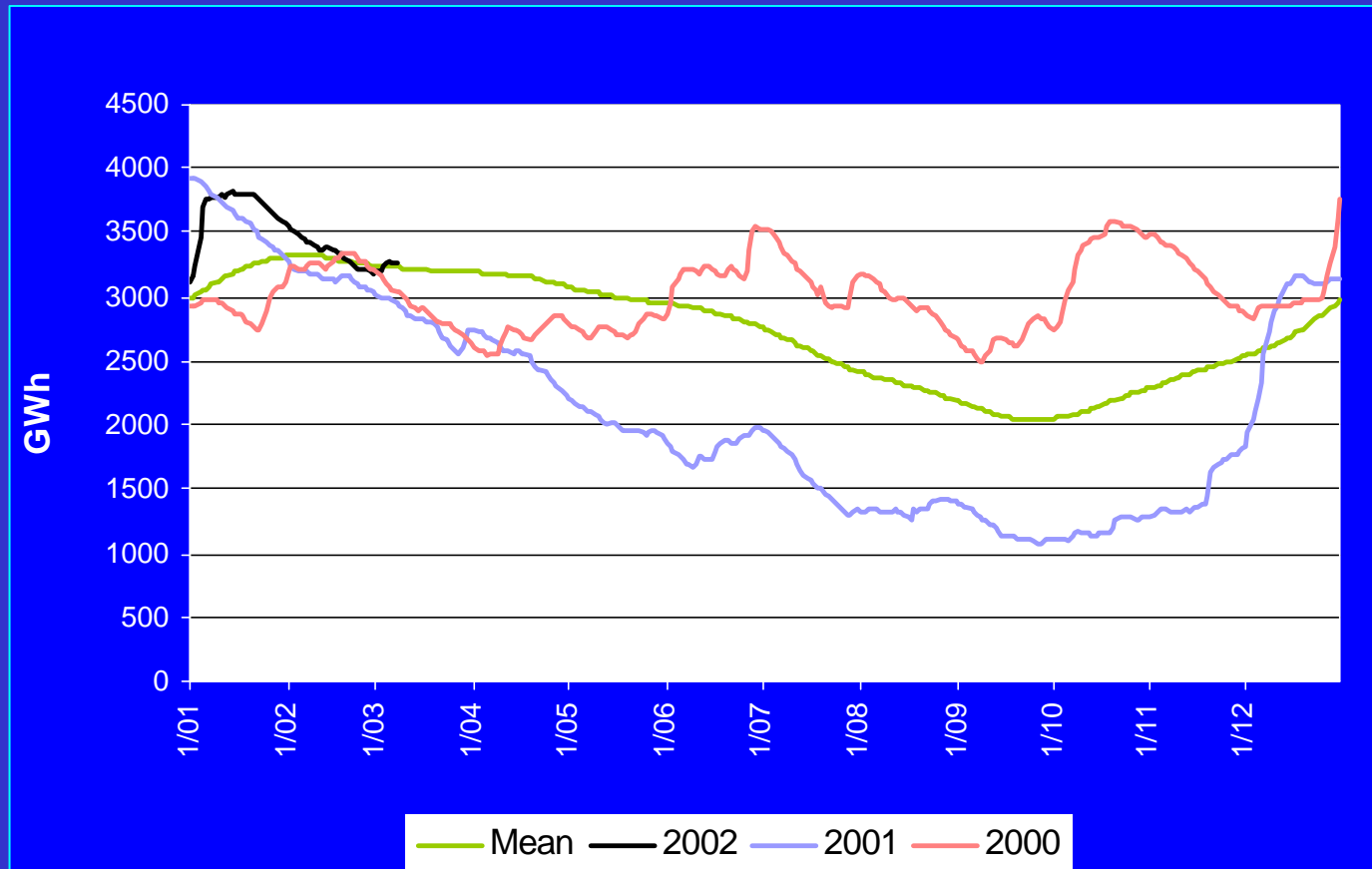


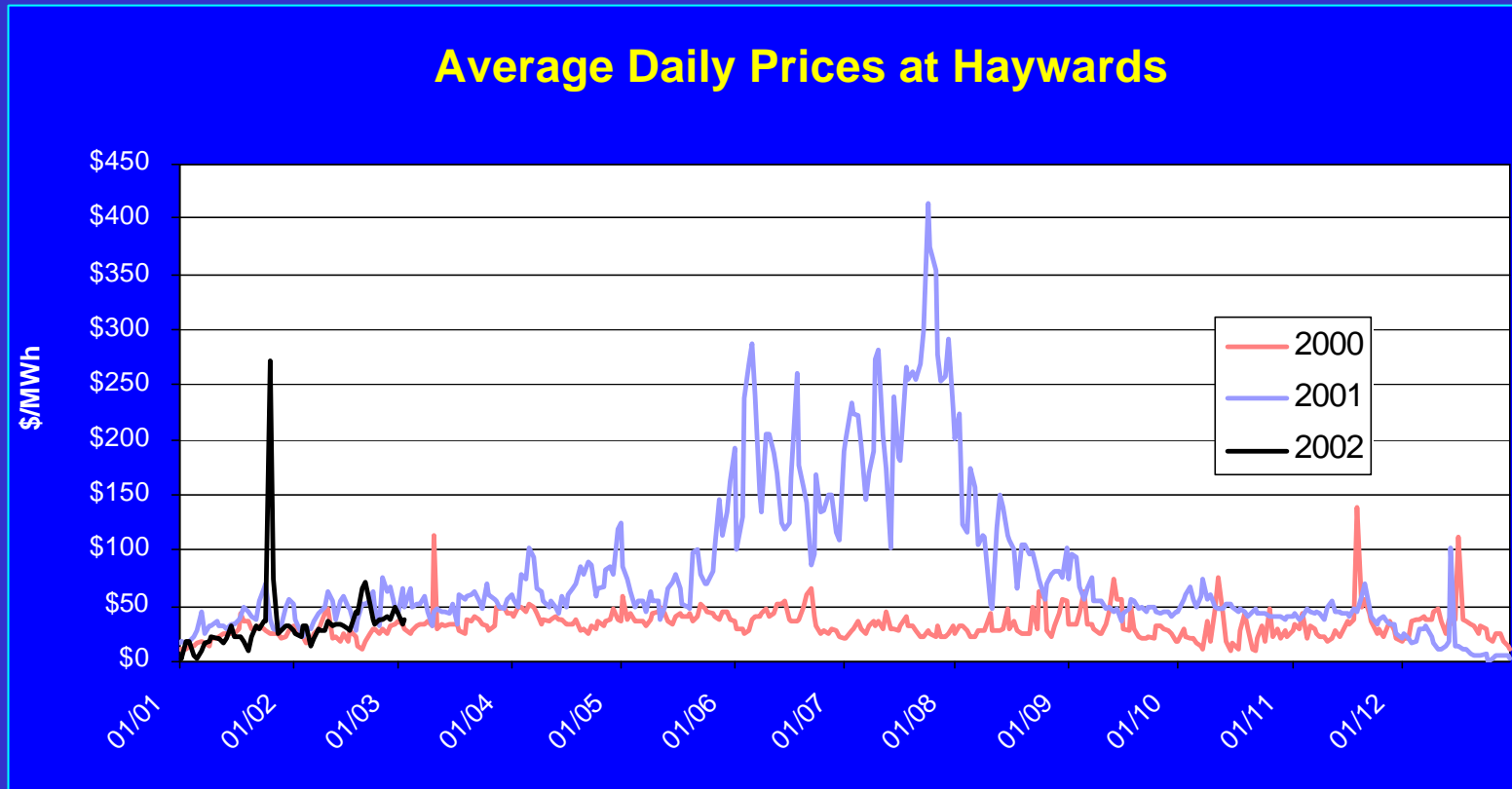


- *generation sales up 13%...*



# hydro capacity







- *maui reserves redetermination...*
- *generation development...*
- *wholesale gas business growth...*

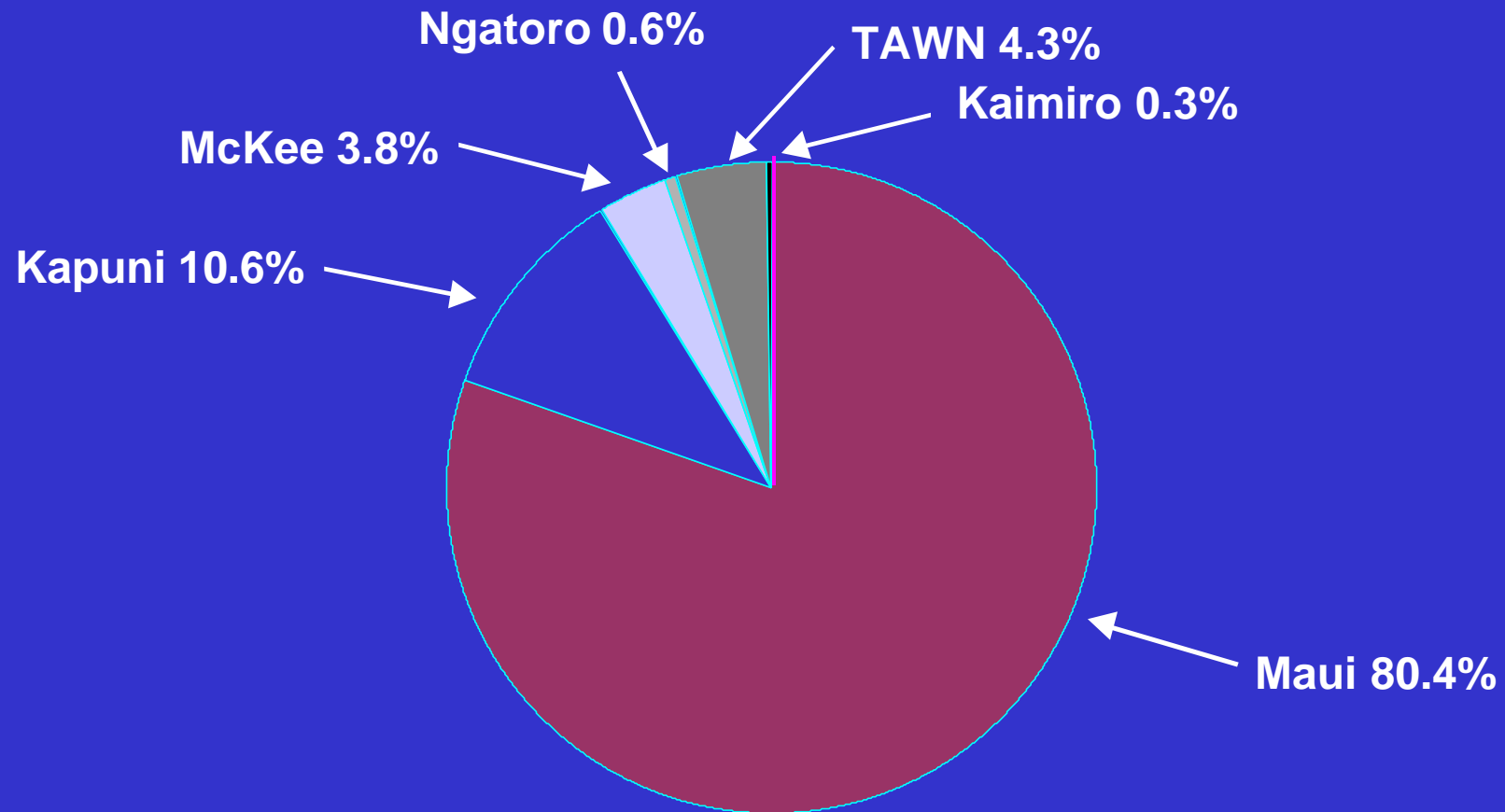


- *generation strategy announced...*
  - enhance NGC's wholesale energy business
  - engage potential partners
  - capture development site value
  - leverage gas assets

# producing gas fields

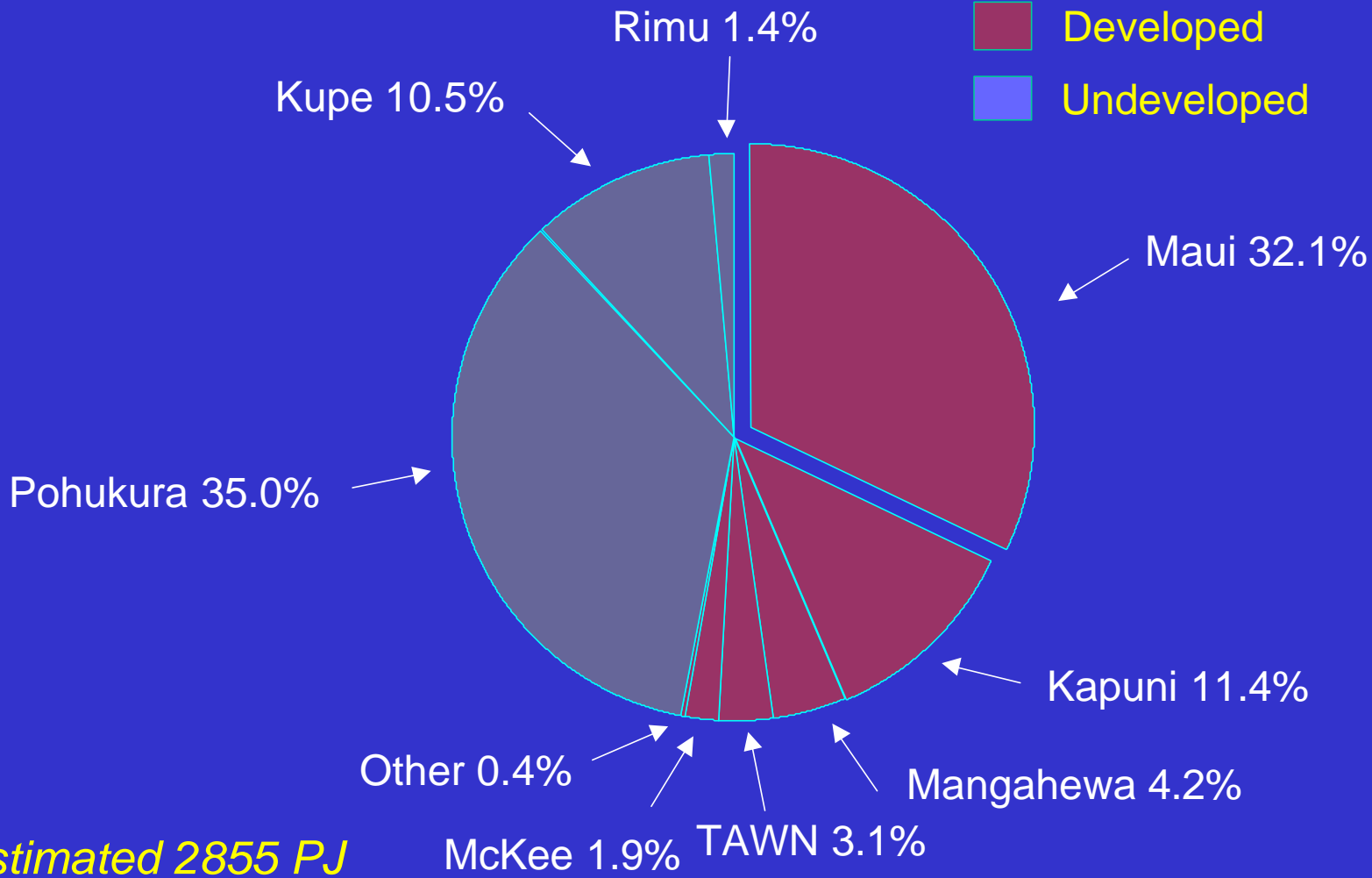


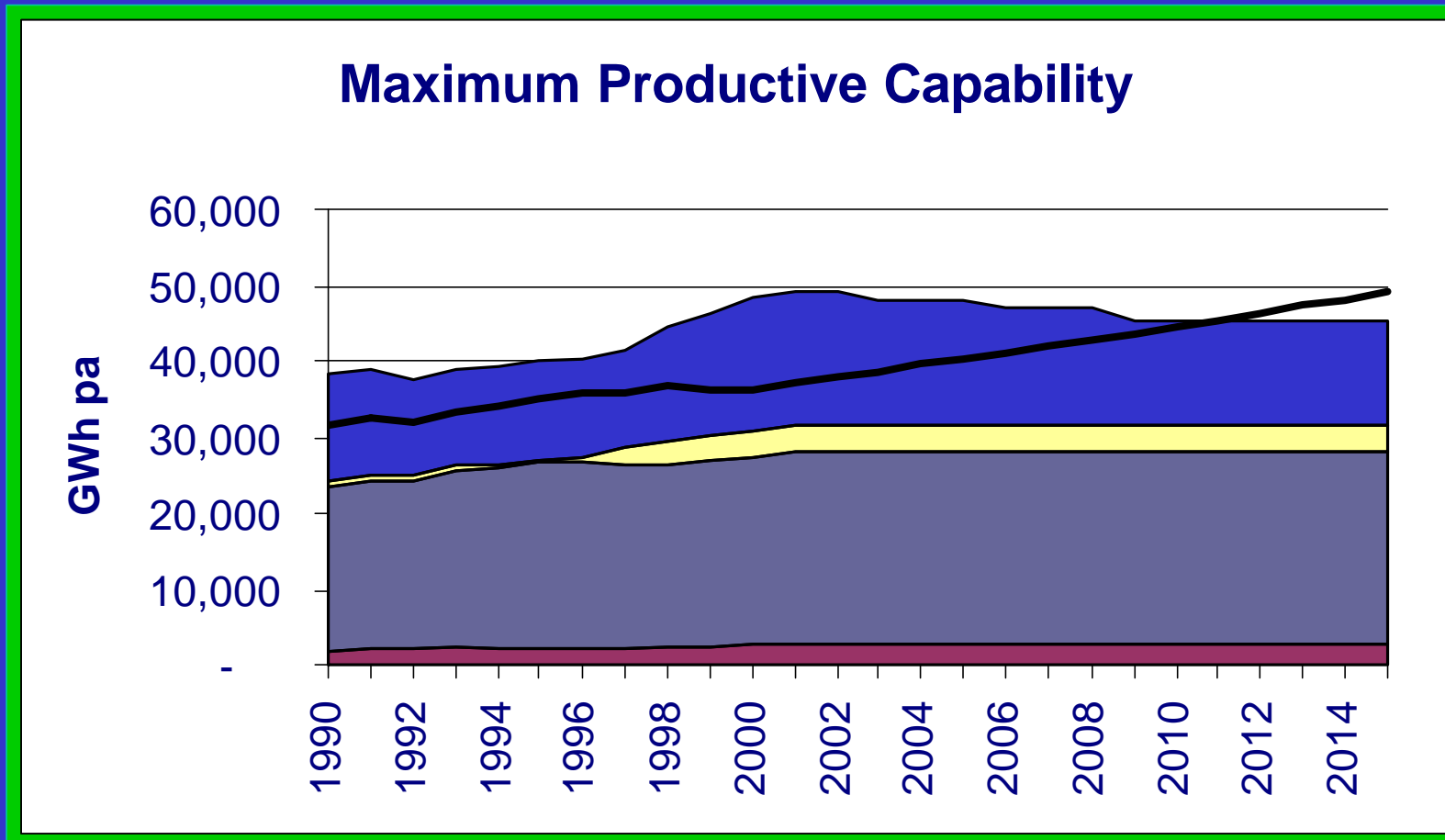
# gas production

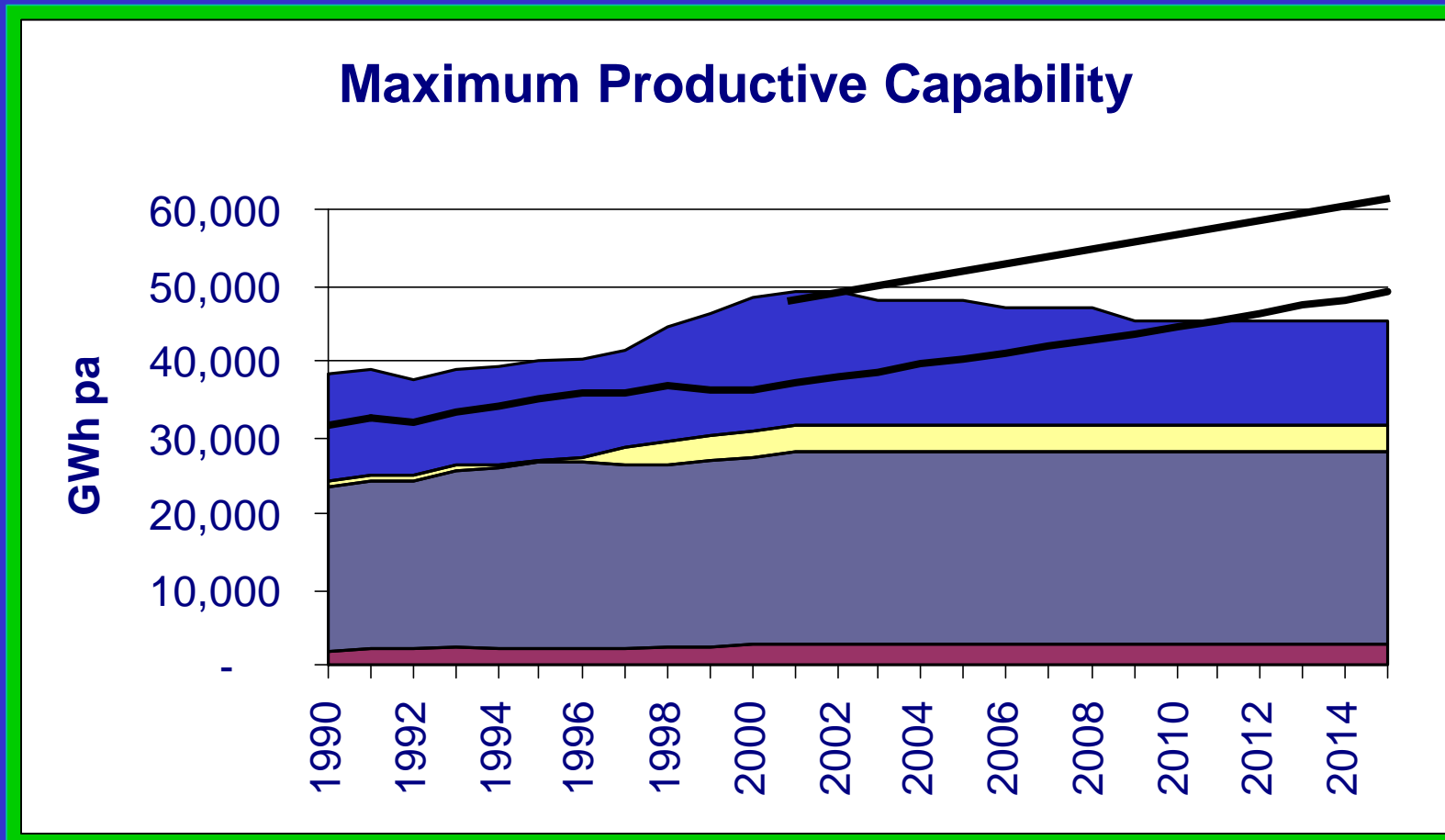


*total annual production: 230PJ*

# gas reserves







## Future Prospects

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- *well equipped to grow...*

- sound financial base
- quality assets
- strong contractual relationships
- robust management systems
- skilled and experienced people



# Natural Gas Corporation