



25 July 2013

Z Energy registers combined investment statement and prospectus

Z Energy has today taken the next important step towards becoming New Zealand's first listed transport fuel company by registering a combined investment statement and prospectus ("Offer Document") for its initial public offering of new ordinary shares, seeking to raise \$650 million - \$900 million (based on the indicative price range of \$3.25 to \$3.75 per share) ("Offer").

The Offer Document is available at www.z.co.nz/investor.

On completion of the offer, Z Energy expects to have its ordinary shares quoted on the NZX Main Board under the stock code 'ZEL'. Application has also been made to list Z Energy on the ASX.

Z Energy's current owners, NZSF Aotea Limited (on behalf of the New Zealand Superannuation Fund) and Infratil Limited, will reduce their joint shareholding (through their jointly owned holding companies) from 100 per cent to between 40 – 50 per cent upon completion of the offer.

The indicative price range for the Offer of \$3.25 to \$3.75 per share will give Z Energy a market capitalisation of \$1.3 billion to \$1.5 billion on listing. The final price for the Offer will be determined following a bookbuild process to be undertaken by the joint lead managers to the Offer on 15 - 16 August.

Z Energy has grown replacement cost operating EBITDAF* from \$157 million in FY11 (extracted) to \$196 million in FY13 since the business was bought from Shell by our shareholders in April 2010. During that time the company has invested \$94 million in storage facilities, new retail service stations, commercial fuel efficiency programmes and research and development into alternative transport fuels, as well as transitioning to being a standalone New Zealand owned and managed company.

Z Chief Executive Mike Bennetts said the registering of the Offer Document was positive for Z and for New Zealand. "When we established Z Energy, we set out to build a company that delivered what our customers told us they wanted, and that invested in New Zealand's transport fuel supply infrastructure.

"Independent research conducted by Colmar Brunton, commissioned by us, tells us that Z is, overall, the most preferred retail fuel brand. While brand preference does not automatically equal sales, it gives us confidence we are on the right track.

"We have a focus on customer service and have delivered strong earnings growth.

"We also made it clear that as a local company, we're committed to a different way of doing business. We committed to communicate clearly and transparently to everyone who owns us,

who uses our fuels, who works for and alongside us or who is simply interested in what we do and why.

“We hold ourselves accountable to each of these groups of people, and to New Zealanders more generally. Investors in Z will own our company and we’re looking forward to being accountable to a wider group of Z Energy owners in the future.”

Jonathan Hill: 04 498 0212, 021 440 090

Prospective investors who are interested in owning part of Z Energy should contact their broker or any NZX Firm. There is no public pool. Copies of the Offer Document can be downloaded at z.co.nz/investor.

Indicative timetable

Offer Document registered	Thursday, 25 July 2013
Opening Date for the New Zealand Broker Firm Offer and Staff Pool	Friday, 2 August 2013
Opening Date for the Australian Broker Firm Offer	Friday 9 August 2013
Staff Pool Closing Date	Tuesday, 13 August 2013
Broker Firm Offer Closing Date	Thursday, 15 August 2013
Bookbuild, Pricing and Allocation	Thursday, 15 August 2013 to Friday, 16 August 2013
Quotation and expected commencement of trading of Shares on the NZX Main Board (conditional settlement basis) and the ASX (conditional and deferred settlement basis)	Monday, 19 August 2013
Settlement and Allotment and expected mailing of holding statements for Shares to be traded on NZX	Wednesday, 21 August 2013
Expected commencement of trading of Shares on the NZX Main Board on a normal basis and expected mailing of holding statements for Shares to be traded on ASX	Thursday, 22 August 2013
Expected commencement of trading of Shares on the ASX on a normal basis	Friday, 23 August 2013
Date by which payment of first dividend following the Offer is expected	31 December 2013

These dates are indicative only and may change.



* Replacement cost is a non GAAP accounting measure used widely in the fuels sector. It removes the impacts of daily currency and monthly commodity price movements and therefore provides a truer reflection of the underlying performance of the business. You can read more about it here: <http://z.co.nz/investor-centre/reports-and-results/understanding-our-financial-results/>

The offer of shares in Z Energy Limited is made by Z Energy Limited and Z Energy Holdings Limited on the terms and conditions set out in a combined investment statement and prospectus dated 25 July 2013 (the "Offer Document"). Applications for shares must be made on the application form accompanying the Offer Document. No Applications or subscriptions for shares will be accepted until the end of the Financial Markets Authority's consideration period, which is expected to end on 1 August 2013. Application has been made to NZX Limited (NZX) for permission to list Z Energy, and to quote the ordinary shares of Z Energy on the NZX Main Board. All requirements of NZX relating to that application that can be complied with on or before the date of this announcement have been duly complied with. However, NZX accepts no responsibility for any statement in this announcement. The NZX Main Board is a registered market operated by NZX, which is a registered exchange, regulated under the Securities Markets Act 1988. An application for listing on the market operated by ASX Limited (ASX) will be made for Z Energy Limited to be admitted to the official list of ASX and for the shares of Z Energy Limited to be quoted on ASX. The fact that ASX may admit Z Energy Limited to the official list and quote its shares on ASX is not to be taken as an indication of the merits, or as an endorsement by ASX, of Z Energy Limited or its shares. ASX accepts no responsibility for any statement in this communication. ASX is the holder of an Australian market licence granted under the Corporations Act 2001 (Cth) under which it operates its financial market and is regulated by the Corporations Act 2001 (Cth).

First NZ Capital Securities Limited and Goldman Sachs New Zealand Limited are Arrangers and Joint lead Managers to the Offer. Craigs Investment Partners Limited and Deutsche Bank AG New Zealand Branch (jointly) and Forsyth Barr Limited are also Joint Lead Managers. ANZ [entity] and Macquarie [Entity] have been appointed Co-managers to the Offer.

There will be no public pool. Interested parties should contact any NZX Firm or their financial advisor for information.

About Z Energy

Z Energy is one of New Zealand's largest fuel companies, providing around a third of New Zealand's total fuel needs. Z Energy has a network of around 250 service stations and truck stops, over 40 sites in our general aviation network, and on completion of the Offer will hold a 17.14 per cent shareholding in Refining NZ and a 25 per cent shareholding in Fly Buys.

Z announced in March that it was considering becoming a publicly owned company. It is currently owned jointly by NZSF Aotea Limited (on behalf of the New Zealand Superannuation Fund) and infrastructure investment company Infratil Limited.

Z Energy already has approximately 8,000 bond holders, following three successful bond issues in its first two years of operation.