

Media Release  
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## **Increased Profits for Top Energy**

At the Annual General Meeting of Top Energy on Wednesday the Directors reported an increased before tax profit of 7%, amounting to \$8.4m. Jack Poutsma, Chairman of Directors, said "The price control regime introduced during the year by the Commerce Commission had resulted in the lines business profits remaining steady but there had been improvements in the Contracting Services part of the Group".

A new Director has been appointed to the Board by the Trustees. Peter White-Robinson replaces Professor Nick van der Walt who resigned recently. Mr White-Robinson is Managing Director of Fitzroy Yachts at Port Taranaki and was previously Managing Director and 85% owner of Fitzroy Engineering in New Plymouth.

"We're very pleased that Peter has agreed to join the board of Top Energy", said Brian Thorburn, Top Energy Consumer Trust Chairman. "His abilities and experience will be of considerable benefit to the board. He is presently living in New Plymouth but is in the process of moving his family to Kerikeri. This means that 3 of the 5 Directors will live locally. The Trustees have always appointed the best qualified people we can get to the board but it is very desirable that at least a majority of them have local connections", Mr Thorburn added.

A dividend of \$5.5m will be paid to the Trust in December. Around the same time, the Trust will distribute \$200 to all power consumers connected to Top Energy's network, apart from large volume power consumers who will get \$400. This is the same amount as last year although the total dividend has increased and reflects the continuing growth of power connections in the region.

One of the major points of note disclosed in the Company's annual report is the revaluation of the electricity lines network. The network has increased in value by \$23.9m. The valuation is based on an obligatory valuation handbook issued by the Commerce Commission and gives a comparable basis for valuing electricity networks throughout the country. Top Energy has also revalued its land and buildings to current market values and this has added another \$1.6m to the assets of the Top Energy Group which now total nearly

\$138m, an increase over the previous year of over 30%. Mr Poutsma said, “These increases show the skill with which our management team run the businesses within the Group. The return on shareholders funds for the year, before revaluations and other accounting adjustments, was 7.0%. The service levels delivered to our consumers have also improved. Having set ourselves very challenging targets we achieved most of them and did better than the previous year in all areas.”

Top Energy Chief Executive, Roger de Bray, reported to the meeting that the local authority appointed Commissioners, who heard the resource consent applications for the Ngawha Power Station extension project, have still not reported their findings. He said “Given the importance of the project and the widespread public support, this is disappointing at a time when there is a real possibility of the lights going out over the next few years and the extra 15 MW the expansion could provide to the people of Northland may be crucial.” END.

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