

NZ Windfarms announces full year result

24 August 2018

NZ Windfarms announces its full year result today. The company reported a net profit before tax of \$0.78m, on the back of profit before interest, tax, depreciation, impairment and amortisation of \$4.0m, on total revenue of \$7.7m. The company's loss after tax was \$14.7m, driven by a significant loss of shareholder continuity requiring the reversal of previous tax losses. This change has no cashflow impact. Board Chairman Stuart Bauld noted that the result is a function of the company making significant progress on key initiatives through the year.

"Following the support of our shareholders at last year's AGM we successfully purchased the wind farm electrical reticulation assets, we've worked with neighbours to bring noise issues to an end and we have obtained regulatory relief around the way wind is offered into the wholesale market. This in turn has allowed us to put in place complex wind turbine control strategies that improve the separation between generation income and cost to generate," said Bauld.

The company has been working through comprehensive operational refinement and cost-out programmes. Over \$2m in annual costs have been eliminated from the business, with a focus on developing a sustainable cost base. Turbine performance continues to improve with the company achieving turbine availability of 98.4% for the year.

Chief Executive John Worth noted that the annual result was the function of strong teamwork and a desire to optimise the performance of the company. "Our strong health and safety, operating and financial performance is a credit to our tight-knit team," said Worth.

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