

Media Release

10 June 2019



BP New Zealand files 2018 Statutory Accounts

BP New Zealand has filed its 2018 statutory accounts which were published by the Companies Office on Friday 7 June, which show net income of \$179 million after tax – representing a 23% decline relative to the prior corresponding period, which included a substantial divestment of its shareholding in NZX listed Refining New Zealand.

BP New Zealand's Managing Director, Debi Boffa, says: "The New Zealand retail fuel market experienced a number of significant developments during the 2018 financial year – with geopolitical risks contributing to a peak in Brent crude price (since 2014) and local currency movements placing pressure on prices Kiwis paid at the pump, and our own operating margin.

"The Refining New Zealand shutdown also resulted in a one-off \$17m cost, which flowed through to a lower overall refining margin for the period."

During the 12-month period the New Zealand retail fuel market saw total petrol and diesel sales growth of 1.8%. Ms Boffa adds: "We are seeing competition in the retail market intensify as evidenced by the number of brands now heavily competing for market share, which is flowing through to greater choice for motorists," Ms Boffa says.

"It was also one of the single busiest 12-month periods of capital expenditure for BP New Zealand in the last decade. We set new records in terms of investing in core infrastructure, training and development of our people and giving back to communities through our partnerships with Surf Lifesaving New Zealand and the Young Enterprise Trust.

"We invested \$88 million in our retail, business-to-business and terminal networks, and have plans to invest a further \$70 million of capital expenditure in the current financial year. Our strategy is focused on investing to support growth and to meet customer demand, with the addition of new sites and a continuing evolution and differentiation of our offer to meet changing consumer trends," says Ms. Boffa.

In 2018 BP New Zealand celebrated the 50th anniversary of its partnership with Surf Life Saving New Zealand, and the 25th anniversary of its partnership with Young Enterprise, with the highest level of contributions reported to date. Surf Life Saving New Zealand received over \$450 000 in funding over and above BP's annual partnership contribution. BP also introduced an annual scholarship programme for Young Enterprise students going on to study STEM (science, technology, engineering and maths) subjects at tertiary level.

Sustainable operations remain an ongoing priority for the business. Today 10% of BP's local retail network utilises solar panels, producing 200,000 kwh of energy annually. Investment in waste reduction and recycling programmes also continues to grow with more than 1,000 tonnes of recycling collected at BP Connect sites in the past year and the company expects to save more than 100 tonnes of food waste from going to landfills each year through their partnership with WeCompost. BP New Zealand will also install additional electric vehicle charging stations over the next 12 months.

BP New Zealand also celebrated the 10-year anniversary of its partnership with Fairtrade with Wild Bean Cafe being the largest retail supplier of Fairtrade coffee in New Zealand, selling over 11 million cups last year.

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Background notes for editors:

- More than 2,000 Kiwis are now employed across BP New Zealand's operations and more than 3,500 are employed as a direct result of these operations. More than half of the BP sites in New Zealand are independently owned and operated.
- BP has been operating in New Zealand for over 70 years, with over \$1b invested in assets across the country.
- New to industry sites opened in 2018 include BP Connect Ravenswood (Christchurch), BP Connect Lincoln Rd (Auckland), BP Connect Whenuapai (Auckland), BP Connect Moorehouse (Christchurch) and BP Rosebank Truckstop (Auckland). BP also purchased and renovated BP 2go Ashburton, BP 2go Mosgiel and BP 2go Waipapa which are now part of the BP Connect network.
- BP New Zealand has paid \$0.5 b in income taxes over the last 10 years.
- BP New Zealand Board of Directors declared a dividend of \$400m on 12 March 2018. The payment included \$80m from the sale of the Refining NZ shares on 17 March 2017 mentioned above.
- A copy of BP New Zealand's 2018 statutory accounts can be accessed from the [Companies Office Website](#)

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