



FY26 Results

For the full year ended 30 June 2026
18 August 2026

Strong performance supports record renewable investment

Results overview

Mercury delivered a strong FY26 performance, supported by higher hydro generation, new renewable generation, disciplined cost management and continued execution of its strategy.

The company reinvested 66% of its FY26 operating earnings (EBITDAF) - \$710 million - in new and existing renewable generation assets. Operating cashflow of \$762 million helped fund this investment while maintaining balance sheet strength and progressive shareholder returns.

Mercury Chief Executive Stew Hamilton said, "We are converting strong financial performance into new generation, greater system resilience and the capacity to support New Zealand's future economic growth."

Generation commenced at three major Mercury renewable projects in 2026, all of which are expected to be fully operational by the end of 2026. The projects are Ngā Tamariki Geothermal Station expansion near Taupō, Kaiwera Downs 2 Wind Farm near Gore, and Kaiwaikawe Wind Farm near Dargaville. These projects represent around \$1 billion of investment and 1.1TWh of additional annual renewable generation - enough to power around 160,000 homes.

Mercury's next development will be Puke Kapo Hau (Mahinerangi Stage 2) Wind Farm, west of Dunedin. In August, Mercury's Board approved the \$506 million project. Final grid connection studies are being completed with Transpower. Mahinerangi Wind Farm (Stages 1 and 2) is expected to be New Zealand's largest wind farm once complete, with 228MW total capacity and annual generation of 646GWh.

Puke Kapo Hau is positioned to support South Island demand, including from Datagrid, which is developing what is expected to be New Zealand's most advanced large-scale data centre project. In March 2026, Mercury announced the signing of a 140MW power purchase option agreement with Datagrid, and invested NZ\$53 million for a 12.7% minority stake in Datagrid NZ last month.

"Datagrid shows how long-term demand, renewable development and disciplined investment can work together," Mr Hamilton said.

In June, Mercury launched Flex Rates, a flexible time-of-use plan that gives eligible customers greater choice and control over their energy costs.

"We also continue to provide support for our customers in need, as well as material support to social retailers, Nau Mai Rā and Toast Electric, and community organisations, extending care beyond our own customer base."

Outlook

"Our balance sheet remains strong, with S&P adjusted debt-to-EBITDA ratio of 2.0x and sufficient headroom to fund our current growth programme within target guardrails. This enables us to invest in high-quality renewable generation assets and provides flexibility to deliver sustainable shareholder returns, value for our customers, and benefits for New Zealand."

NPAT

\$321m

↑ \$320m on FY25

Net Profit After Tax (NPAT) increased as a result of higher EBITDAF, partly offset by non-cash movements in the fair value of electricity derivatives.

EBITDAF

\$1,068m

↑ 36% on FY25

↑ \$282m on FY25

Operating earnings (EBITDAF¹) was supported by higher hydro generation, new renewable generation and lower operating costs from ongoing productivity initiatives.

Dividend

27.0 cps

↑ 3 cps on FY25

The fully imputed final dividend was 17.0 cents per share (cps), bringing the FY26 ordinary dividend to 27.0 cps - the 18th consecutive year of ordinary dividend growth.

The Dividend Reinvestment Plan (DRP) continues to be offered to shareholders.

FY27 Guidance

EBITDAF \$1,075m

Dividend 29.0 cps

Full-year 2027 EBITDAF guidance reflects new generation, continued cost discipline and 4.1TWh of hydro generation.

Guidance may change and remains subject to any material events, significant one-off expenses or other unforeseen circumstances including changes to hydrological conditions.

¹ Earnings before net interest expense, tax expense, depreciation, amortisation, change in the fair value of financial instruments, gain on sale, impairment and revaluation losses (EBITDAF).

Better Today, Building Tomorrow, Brighter Together

STRATEGIC OBJECTIVE	PROGRESS MILESTONES
Generation development uplift	• Brought the new \$220m Ngā Tamariki Geothermal Station unit online in January, adding 390GWh p.a. • Completed construction at Kaiwera Downs 2 Wind Farm in June, with final commissioning underway. • Achieved first generation at Kaiwaikawe Wind Farm in July 2026, with full operation expected by the end of 2026. • Achieved final investment decision for Puke Kapo Hau Wind Farm, and progressed Stage 1 of the Whakamaru BESS towards final investment decision. • Advanced feasibility work for geothermal projects at Ngā Tamariki and Rotokawa, supported by appraisal drilling.
Capture energy transition growth	• Invested NZ\$53 million for a 12.7% stake in Datagrid NZ in July 2026, following the announcement of a signing of a 140MW power purchase option agreement in March. • Commenced 10-year Fonterra contracts to support electrification of its Edgecumbe and Waitoa sites, and expanded smart hot water management to 50,000 cylinders (20MW).
Rebuild sector confidence	• Supported more timely and certain consenting and renewable investment settings through proposed RMA reforms and Fast-track processes. • Contributed to practical solutions for gas security, firming and hedge-market access.
Connected and high-performing culture	• Launched the Safety Intelligence Programme to strengthen workplace safety capability. • Lifted the Cultural Performance Index by 5%, reflecting continued progress in performance and culture.
Earnings transformation	• Delivered strong EBITDAF, exceeding initial full-year guidance by \$68m, and reinvested 66% - \$710m - in new and existing renewable generation assets. • Achieved operating costs target of \$370m while maintaining quality and safety outcomes. • Stay-in-business CAPEX was \$150m, reflecting the completion of the Karāpiro Hydro Station upgrade, geothermal drilling campaign and investment in hydro refurbishment.

ENDS

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ABOUT MERCURY NZ LIMITED

Mercury's generation assets produce electricity from 100% renewable sources: hydro, geothermal and wind. We're also a retailer of electricity, gas, broadband and mobile services. We're listed on the New Zealand Stock Exchange and the Australian Stock Exchange with the ticker symbol 'MCY', with foreign exempt listed status. The New Zealand Government holds a legislated minimum 51% shareholding of Mercury.