Meridian

Release

Stock Exchange Listings NZX (MEL) ASX (MEZ)

Meridian delivers a strong result and renewables growth

26 August 2026

Meridian Energy has reported operating cash flows of $810 million for the year ended 30 June 2026, up from $318 million the previous year. The company recorded a net profit after tax of $130 million, compared with a net loss after tax of $452 million in FY25.

EBITDAF was $1,051 million, up from $611 million, while underlying net profit increased from $56 million to $308 million. Both are non-GAAP measures.

Behind these results was an increase in energy margin from $982 million to $1,471 million. The year was a strong contrast with FY25, when Meridian's annual result was impacted by two severe droughts and a $300 million investment in hedge and demand response contracts to help maintain security of supply during winter 2024.

"This is a result that strengthens our financial resilience as we continue to build at pace. Delivering clean, affordable energy and advancing New Zealand's energy independence are becoming more critical. Our job is to develop renewable and firming assets in a way that benefits customers, creates value for shareholders and strengthens New Zealand's long-term energy resilience," says Meridian Chief Executive Mike Roan.

"We know New Zealanders want to see lower power prices, and that's more likely as new renewable generation continues to be built across New Zealand. We're already seeing positive signs, with wholesale forward prices easing during 2026, which is enabling us to reduce prices for commercial and industrial customers as they come up for renewal."

"We have committed to ensuring that, for residential and small business customers, the average price increase in the energy component[1] of the bill across all our plans will be held below the rate of inflation over the next year. Customers, though, are still facing at least three more years of regulated increases in lines and transmission charges."

The work Meridian and others across the sector are doing to build new generation and make electricity more affordable will also strengthen New Zealand's economy.

"New Zealand has a tremendous long-term advantage when it comes to electricity. We already operate one of the world's most renewable electricity systems, providing a strong foundation to electrify more of our economy. That creates a significant opportunity to support productivity, reduce emissions, attract investment and strengthen our international competitiveness. Electricity is increasingly the fuel of a modern economy and Meridian is committed to playing its part in supporting New Zealand's long-term prosperity," says Mike Roan.

[1] Excludes network, governmental and other retail charges such as metering.

The Board declared a final ordinary dividend of 16.10 cents per share, bringing the total ordinary dividends declared in FY26 to 22.50 cents per share – a 7.1% increase on the previous year. The Board has approved continuation of the Dividend Reinvestment Plan at a 0% discount.

The company has also committed funds to support customers and communities in need, with the Board approving an additional $7 million to extend Meridian's Energy Wellbeing Programme through to 2030, and a $1 million top-up to the company's Community Decarbonisation Fund, which helps local community groups reduce costs and emissions through EVs, solar panels and batteries.

"Cost-of-living pressures remain and we are doing what we can to help. Since launching our Energy Wellbeing Programme in 2023, we've supported more than 4,000 households experiencing energy hardship, and what makes this programme different is how it works – not in isolation, but through a network of more than 20 trusted community partners who wrap their support around customers. This approach is making a real difference and, with this new investment, our aim is to support 10,000 households by 2030," says Mike Roan.

"Our Community Decarbonisation Fund is also making a real impact, channelling the proceeds from the sale of our Certified Renewable Energy products back into communities. This year, $1.8 million went to support 37 not-for-profit organisations to electrify their operations. That means lower ongoing costs, less reliance on fossil fuels and more going directly to the communities those organisations serve. Given the strong demand and impact we're seeing, we're confident the extra $1 million this year will deliver a lot more support to communities in need."

Renewable Development

FY26 was a year of major highlights for Meridian's Development team. One of the most significant was securing resource consent for the continued operation of the Waitaki Power Scheme for the next 35 years. The Waitaki scheme has been at the heart of New Zealand's electricity system for generations and remains a strategic asset for both Meridian and the country. The company was also granted access to an additional five metres of contingent storage at Lake Pūkaki for the next three years to help manage system security while new generation is built.

Meridian currently has two projects under construction: the 130MW Ruakākā Solar Farm and 200MW stage 1 Te Rahui Solar Farm – a joint venture with Nova, which is responsible for construction management. Consents were secured for the 90MW Mt Munro Wind Farm and the 120MW Bunnythorpe Solar Farm, and the company also had its proposed Waiinu Energy Park admitted to the Fast-track process.

"We are determined to maintain this momentum and in the next 12 months expect to announce final investment decisions for Mt Munro, Te Rere Hau and either stage two of Te Rahui or the integrated solar and battery Bunnythorpe Energy Park. Building new renewable generation and firming assets are the most important things we can do to make power more affordable for homes and businesses. We also continue to explore opportunities for new hydro development for long-term system firming," says Mike Roan.

Retail

Meridian's Retail business continued to bring its Next Gen Retail operating model to market, and by year end 175,820 retail and commercial customers had been migrated to the new Kraken platform. While migration has delivered important strategic capability, there have been some customer impacts associated with the transition, including challenges following the launch of the new Powershop app and longer than desired customer service wait times.

"Some customers have not had the experience they have come to expect from us, but we are focused on resolving these issues, improving customer support and developing new products that will make energy more affordable," says Mike Roan.

"Despite these challenges, our overall Retail performance has been very strong and the net position at the end of the year reaffirms our Retail Strategy. A highlight has been the success of our Smart Hot Water plan, which now saves more than 30,900 Meridian and Powershop customers about $120 a year by switching off hot water cylinders during peak periods."

Meridian's EV charging network also continued to expand. This year the company added 140 charge points across New Zealand, with plans to bring even more charging to the central and upper North Island in the near future. Meridian now has 519 EV charge points across the country and is on track to achieve its goal of delivering 1,000 public charge points by 2030.

Generation

The Generation team maintained high operational standards to maximise generation availability and output through engineering improvements, modelling and optimised maintenance timing across Meridian's hydro stations and wind farms.

The company's DigiGEN Programme was established and is already delivering strong results. The pilot delivered more than $1.2 million in annualised revenue opportunities and operational cost savings, and has strengthened Meridian's generation assets by reducing manual effort and supporting better-informed decisions through digital tools.

"DigiGEN has the potential to unlock significant long-term value for Meridian and its shareholders. It will improve how we respond to market conditions and help keep our generation and storage assets competitive as the energy system evolves. By combining engineering expertise with digital tools, we can build more resilience, capacity and revenue from our existing assets," says Mike Roan.

Sustainability

This year brought important external recognition of Meridian's longstanding commitment to sustainability, with the company included in the S&P Dow Jones Best-in-Class World Index.

"Meridian is the only New Zealand company currently represented in the World Index and just the second New Zealand company ever. While external rankings are not an end in themselves, this recognition reflects years of disciplined work to build a business capable of delivering strong commercial performance alongside positive environmental and social outcomes. Sustainability and long-term shareholder value creation go hand in hand," says Mike Roan.

Segment earnings statement		
Financial year ended 30 June	**2026**	**2025**
$M		
Energy margin	1,471	982
Other revenue	42	52
Hosting expense	(3)	(4)
Energy transmission expense	(91)	(78)
Energy metering expense	(55)	(52)
Employee and other operating expenses	(313)	(289)
EBITDAF	**1,051**	**611**
Depreciation and amortisation	(535)	(447)
Asset related adjsutments	2	(33)
Net change in fair value of energy hedges	(260)	(659)
Net finance costs	(90)	(79)
Net change in fair value of treasury hedges	(8)	(12)
Net profit before tax	**160**	**(619)**
Income tax expense	(30)	167
Net profit after tax	**130**	**(452)**

UNPAT		
Financial year ended 30 June	**2026**	**2025**
$M		
Net profit after tax	130	(452)
Underlying adjustments		
Hedging instruments		
Net change in fair value of energy hedges	260	659
Net change in fair value of treasury hedges	8	12
Premiums paid on electricity options net of interest	(18)	(12)
Assets		
Asset related adjustments	(2)	33
Total adjustments before tax	248	692
Taxation		
Tax effect of above adjustments	(70)	(184)
Underlying net profit after tax	**308**	**56**

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