



FINANCIAL HIGHLIGHTS	2009	2008
	\$'000	\$'000
Revenue	81,687	76,606
Net surplus for the year	15,431	15,262
Shareholder's funds	174,287	173,001
Total assets	346,104	334,366

WHAT WE DID THIS YEAR

Aurora has performed well in the past, and continued to do so this year. Revenue at \$81.6m was up 6% on last year. The surplus after tax was \$15.4m up on the \$15.3m achieved last year.

Economic growth in the Otago region has clearly slowed but it has not prevented a strong management from performing well and having confidence in the future. However, growth within the company has not stopped and capital investment has continued strongly in the expectation of increased demand. This year the company acquired from *DELTA* Utility Services Limited the fledgling glass fibre network that is being constructed in Dunedin and the company is part of the New Zealand Regional Fibre Group that is promoting telecommunications infrastructure, not just in our region, but nationally.

Growth can be reflected in the additional number of consumer connections to the network. In Central Otago, Aurora achieved 2.2% growth (last year 3.9%) and in Dunedin there was 0.4% growth (last year 0.7%). At year-end the total number of connections in Dunedin was 53,185 and the figure in Central Otago was 27,709.

Considerable planning within the company is ongoing to identify areas where the network needs to be strengthened

to handle growth in the quantity of electricity carried and the reliability of the delivery. This year The Commonage substation was completed in Queenstown at a cost of \$4.7m. From now on this investment will reduce the risk of interruption of supply in this high profile area.

The cash generation performance of the company continues to be very strong and supports a high level of dividend to the parent company. Over the fifteen-year life of the group, Aurora has provided 70% of the total dividends received by the parent company. Thus the importance of Aurora, to both the parent company and ultimately to the Dunedin City Council, cannot be overstated. This year Aurora paid dividends of \$13.2m (\$13.9m last year), a critical component of the cash paid to the Council as the ultimate shareholder.

The outlook for Aurora remains strong. Its supply quality, measured by the SAIDI statistic (a measure of how many minutes supply is interrupted across the network), beat the target set at the beginning of the year by the board. This should provide it with a degree of insulation from future intervention by the line business government regulators who will review company performance next year.

For more information visit www.electricity.co.nz

THE PEOPLE

Directors	R S Polson (Chairman)
	M O Coburn
	N G Evans
	P R Hudson
	R D Liddell
	S J McLauchlan
Chief executive	G Cameron

