

Results at a glance

June 2017

	30 June 2017 \$m	30 June 2016 \$m	Movement %
Financial Results			
Income	629.3	573.9	9.7
Expenses	156.2	143.6	8.8
Earnings before interest, taxation, depreciation, fair value adjustments and investments in associates (EBITDAFI)	473.1	430.3	9.9
Share of profits of associates	19.4	(8.4)	331.0
Investment property fair value increases	91.9	87.1	5.5
Property, plant and equipment revaluation movement	–	(16.5)	100.0
Derivative fair value movement	2.5	(2.6)	196.2
Depreciation	77.9	73.0	6.7
Interest expense	72.8	79.1	(8.0)
Taxation expense	103.3	75.4	37.0
Reported profit after taxation	332.9	262.4	26.9
Earnings per share	28.0 c	22.1 c	26.7
Underlying profit after taxation ¹	247.8	212.7	16.5
Underlying earnings per share	20.8 c	17.9 c	16.2
Dividends			
Total proposed dividend for the year (cents per share)	20.5 c	17.5 c	17.1
Total proposed dividend for the year (\$ million)	244.4	208.3	17.3
Financial Position			
Shareholders' equity	4,029.0	3,880.7	3.8
Total assets	6,503.5	6,141.5	5.9
Debt to debt plus equity	33.8%	32.7%	
Debt to enterprise value ²	19.5%	19.7%	
Capital expenditure	374.7	243.2	54.1
Passenger and aircraft statistics – Auckland Airport			
International passenger movements including transits	10,418,732	9,358,272	11.3
Domestic passenger movements	8,601,841	7,902,059	8.9
Maximum certificated take-off weight (tonnes)	7,848,097	6,978,559	12.5
Aircraft movements	169,245	157,772	7.3
North Queensland Airports performance			
Cairns international passenger movements including transits	839,253	767,774	9.3
Cairns domestic passenger movements	4,391,405	4,243,305	3.5
Mackay domestic passenger movements	774,969	845,582	(8.4)
Revenue ³	AUD 142.7	AUD 134.6	6.0
EBITDAFI ³	AUD 87.3	AUD 83.8	4.2
Profit after taxation ³	AUD 46.8	AUD (54.8)	185.4
Queenstown Airport performance			
International passenger movements	532,285	474,779	12.1
Domestic passenger movements	1,360,158	1,176,330	15.6
Revenue ³	39.0	31.5	23.8
EBITDAFI ³	26.2	21.5	21.9
Profit after taxation ³	12.1	7.8	55.1

¹ Excluding investment property fair value increases, derivative fair value movements, property plant and equipment revaluations in the company and its associates and the tax effect of these adjustments in 2017 and 2016. Refer to Appendix A for a reconciliation of these adjustments. ² Based on the share price as at 30 June 2017 of \$7.13 (30 June 2016 of \$6.50). ³ From non-audited management accounts of North Queensland Airports and Queenstown Airport. The financial results have not been apportioned for the level of ownership interest being 24.55% for North Queensland Airports and 24.99% for Queenstown Airport.



16.2%

Underlying earnings
per share up
16.2% to 20.80c



11.3%

International passengers
up **11.3% to 10,418,732**

Results at a glance

(cont.)

Appendix A

Reconciliation of underlying profit to reported profit

	2017			2016		
	Reported profit \$M	Adjustments \$M	Underlying profit \$M	Reported profit \$M	Adjustments \$M	Underlying profit \$M
EBITDAFI per income statement	473.1	–	473.1	430.3	–	430.3
Share of profit of associates	19.4	(4.5) ¹	14.9	(8.4)	19.9	11.5
Derivative fair value movement	2.5	(2.5) ²	–	(2.6)	2.6	–
Investment property fair value increase	91.9	(91.9) ³	–	87.1	(87.1)	–
Property, plant and equipment revaluation	–	–	–	(16.5)	16.5 ⁴	–
Depreciation	(77.9)	–	(77.9)	(73.0)	–	(73.0)
Interest expense and other finance costs	(72.8)	–	(72.8)	(79.1)	–	(79.1)
Taxation expense	(103.3)	13.8 ⁵	(89.5)	(75.4)	(1.6)	(77.0)
Profit after tax	332.9	(85.1)	247.8	262.4	(49.7)	212.7

¹ Auckland Airport's share of the gain on revaluation of investment property held by NQA for the year ended 30 June 2017 was \$2.3 million (2016: \$1.7 million). Auckland Airport's share of the fair value increase on the derivative financial instruments held by NQA for the year ended 30 June 2017 was \$0.6 million (2016: \$8.1 million decrease) and an adjustment of \$1.1 million to NQA's 2016 asset impairment of \$15.7 million. Auckland Airport's share of the gain on revaluation of investment property held by Novotel Hotel for the year ended 30 June 2017 was \$2.6 million (2016: \$2.3 million). Auckland Airport's share of the fair value increase on the derivative financial instruments held by Novotel Hotel for the year ended 30 June 2017 was \$0.1 million (2016: \$0.1 million increase). ² The fair valuation movement of the derivative financial instruments that do not qualify for hedge accounting put in place in conjunction with the US Private Placement (USPP) debt issuance in July 2014 and November 2010 and the fair value change of derivatives due to each counterparty credit risk. ³ The fair value increase of Auckland Airport's investment property portfolio as a result of the revaluation performed as at 30 June 2016. ⁴ The portion of the fair value change in the infrastructure asset class of Auckland Airport's property plant and equipment from a revaluation undertaken as at 30 June 2016. ⁵ Taxation adjustments as a result of adjustments 1 to 4 above.



9.9%

EBITDAFI up **9.9%** to **\$473.1m**



Online report

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