

## **Media Release | 20 February 2015**

# **Auckland Airport announces strong interim result for 2015 financial year**

Auckland Airport has today announced its interim results for the six months to 31 December 2014.

The total number of passenger movements was up by 3.8% to 7.9 million, with international passengers (including transits) up by 4.4% to 4.3 million and domestic passengers up by 3.1% to 3.6 million.

Revenue was up by 5.4% to \$251.4 million. Earnings before interest expense, taxation, depreciation, fair value adjustments and investments in associates (EBITDAFI) increased by 6.3% to \$189.1 million. Total profit after tax was up by 8.1% to \$92.8 million while underlying profit after tax increased by 1.3% to \$87.8 million.

Underlying earnings per share has continued to increase, up by 12.5% to 7.38 cents per share, and the interim dividend for the six months to 31 December 2014 is 7.3 cents per share.

Auckland Airport Chair, Sir Henry van der Heyden, says, “We are pleased to announce a strong interim result for the six months to 31 December 2014. These results demonstrate that we have maintained our growth momentum of recent years.”

“We have continued to implement our strategy of growing travel markets, strengthening our consumer businesses, achieving operational efficiencies and investing in our property and long-term infrastructure.”

“This has resulted in new air routes, capacity and services; new retailers to provide our passengers with a growing range of products and services that represent some of the best of New Zealand and the World; and the delivery of new and upgraded infrastructure in our domestic and international terminals. We have also invested significant time and effort in planning the future infrastructure requirements required to implement our 30-year vision.”

“Our 5.4% increase in revenue was, in part, achieved as a result of strong aeronautical performance, property rental and transport income. Our total share of profit from associates was \$5.4 million for the six months to 31 December 2014, up by 11.4%. The profit share from the Queenstown Airport was up by 22.8% to \$1.2 million, while the share from North Queensland Airports was up by 14.9% to \$3.7 million. Our profit share from the Novotel hotel was down 18.6% to \$0.6 million, due to the impact of positive fair value adjustments of derivatives in the comparative period.”

“As previously signalled, the Company has been running a tender to operate our duty free retail from 1 July 2015. Following a detailed assessment of proposals from some of the World’s leading duty free operators, we have selected LS Travel Retail Pacific and Aer Rianta International to provide our international travellers with high-quality duty free retail experiences. As a result of the duty free tender, and other changes in specialty stores, we are expecting an additional \$5 million in earnings before interest, tax and depreciation in the 2016 financial year.”

“We would like to thank DFS and JR Duty Free for their great contribution to our passengers’ experience during their time operating at Auckland Airport. DFS and JR Duty Free are both great retailers and we look forward to continuing to work with them through to the end of June this year.”

“In consideration of our performance and growth momentum in the first six months of this financial year, Auckland Airport is now lifting its guidance for the full year to be between \$167 million and \$174 million. This updated guidance would deliver an increase in underlying earnings per share of between 7% and 11% for our investors. It is subject to any material adverse events, significant one-off expenses, non-cash fair value changes to property and deterioration due to global market conditions or other unforeseeable circumstances,” says Sir Henry.

The interim dividend of 7.3 cents per share is imputed at the company tax rate of 28% and will be paid on 2 April 2015 to shareholders who are on the register at the close of business on 19 March 2015.

**Ends**

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