

Auckland Airport

Annual Meeting 2009

Anthony Frankham

Simon Moutter



Anthony Frankham - Chairman

Welcome

**Your Board &
Management team**

Today's meeting order



The Board of Directors

Anthony Frankham

Keith Turner

Joan Withers

Richard Didsbury

John Brabazon

Sir Henry van der Heyden

James Miller

Marko Bogoeievski (alternate)

Absent: Lloyd Morrison



The Management team

Simon Moutter

Simon Robertson

Tony Gollin

Glenn Wedlock

Adrian Littlewood

Peter Alexander

Charles Spillane

Judy Nicholl

Andrew Pirie

Philip Cory-Wright

Mary-Anne Powell

Meeting order

- 1. Notice of Meeting**
- 2. Proxies**
- 3. Chairman's address**
- 4. Chief executive's review**
- 5. Resolutions**
- 6. Questions**
- 7. Close**



Chairman's address

Highlights of 2009

Board focus

Where we are today

Since June 30

Outlook for 2010



Highlights of 2009

Extraordinary economic conditions

Voted one of world's top 10 airports

Two new international airlines won

Passenger volumes held up well

Retail revenue growth achieved

Driving operational efficiencies

Balance sheet strengthened

**New leadership team and new
strategy in place**



Key operational milestones

New \$50m international pier opened

Aeronautical charge increase deferred

Big investment in air service development

JR Duty Free joined as a second operator

**New border processing technology
trialled**

Air New Zealand judicial review dropped



Board has been focused

Have kept eye on long-term horizon

Managing downsides and preparing for upsides

A cohesive Board

Succession-planning

New additions to Board



Where we are today

Ridden economic storm well to date

Prepared for return to growth

Capacity and infrastructure in place

Responsible and responsive governance continues

Strong leadership in place



Since June 30

**Passenger volume decline
beginning to turn**

Domestic up 5.1%

International up 1.2%

Deferred northern runway

**Regulatory environment
developing**



Outlook for 2010

Dividend Reinvestment Plan

Slow but steady stabilisation

Further implementation of growth strategy

Forecasting will remain very difficult

Guidance update

Continued board focus on managing downside risk and preparing for upside opportunities



To close

**We continue to value our
shareholder support**

**Chief executive Simon
Moutter to follow**



Chief executive's review

Why
you've
made a
good
investment



The state of the market

Aviation sector under heavy pressure

Passenger volumes down substantially on highs of 2007

Major customer weathering the storm

Unsure if we are through worst

Auckland Airport proactively managing conditions



Top-line financial results

Revenue \$369.2m up 5.2%, driven by strong results in Retail

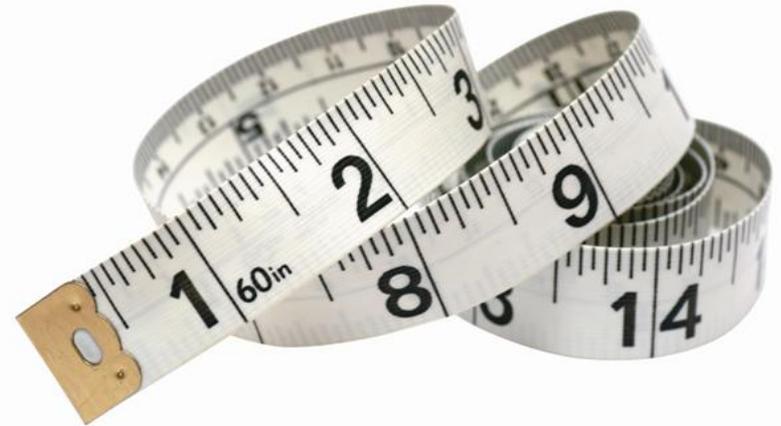
Operating EBITDA \$280.4m up 1.6%

Capital expenditure \$87.5m down 38.8%

Underlying profit \$105.9m up 2.1%

Total dividend for the year 8.20cps

Solid results given the state of the aviation market



Sound growth strategy

Vision of creating value from movement of people and goods

Getting “fighting fit”

Making the most of what we have

Encouraging a healthy market

Looking for new opportunities



Leveraged for future growth

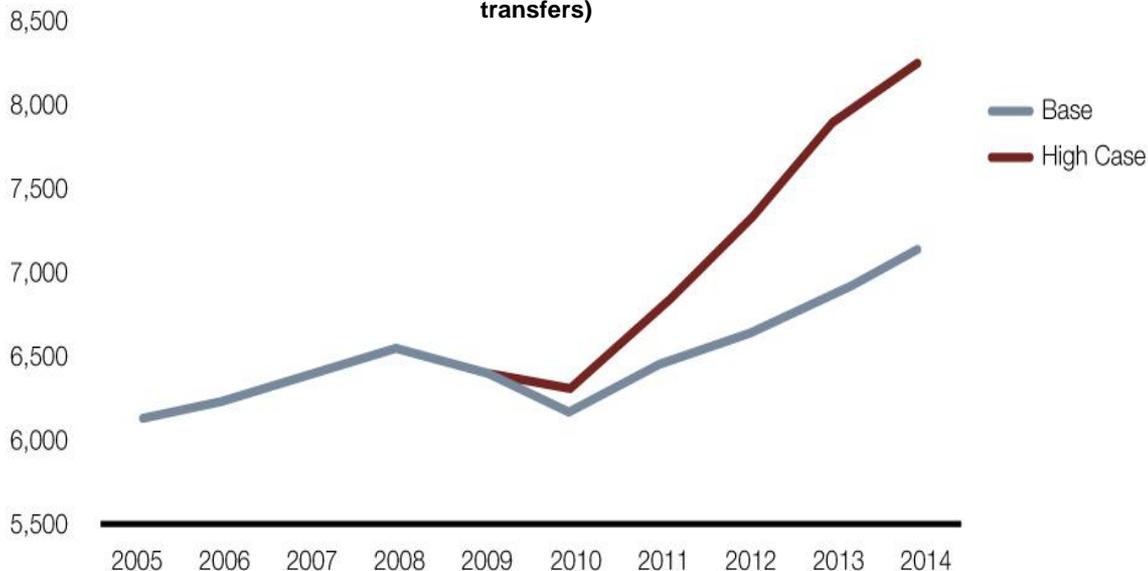
Forecasts very difficult

Expected decrease in
FY10 before increasing

Focused on influencing
above base (Q1
positive)

Impact of each 100k
increase in international
passengers on EBITDA
is approximately \$2.0 to
\$2.3m

International PAX Planning Assumptions
per financial year (1000s)
(excluding transits &
transfers)



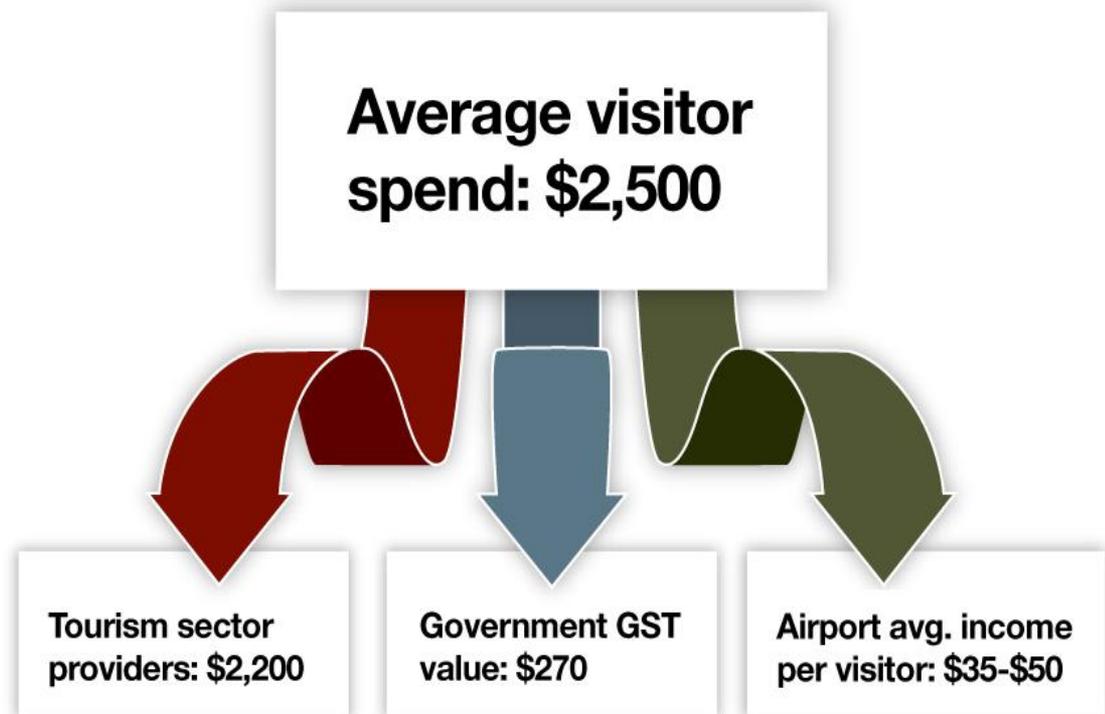
Delivering tourism value

Further air service
development activity

High-growth market
opportunities

Growing supply to
stimulate demand

Value to Auckland
Airport delivers value
to New Zealand

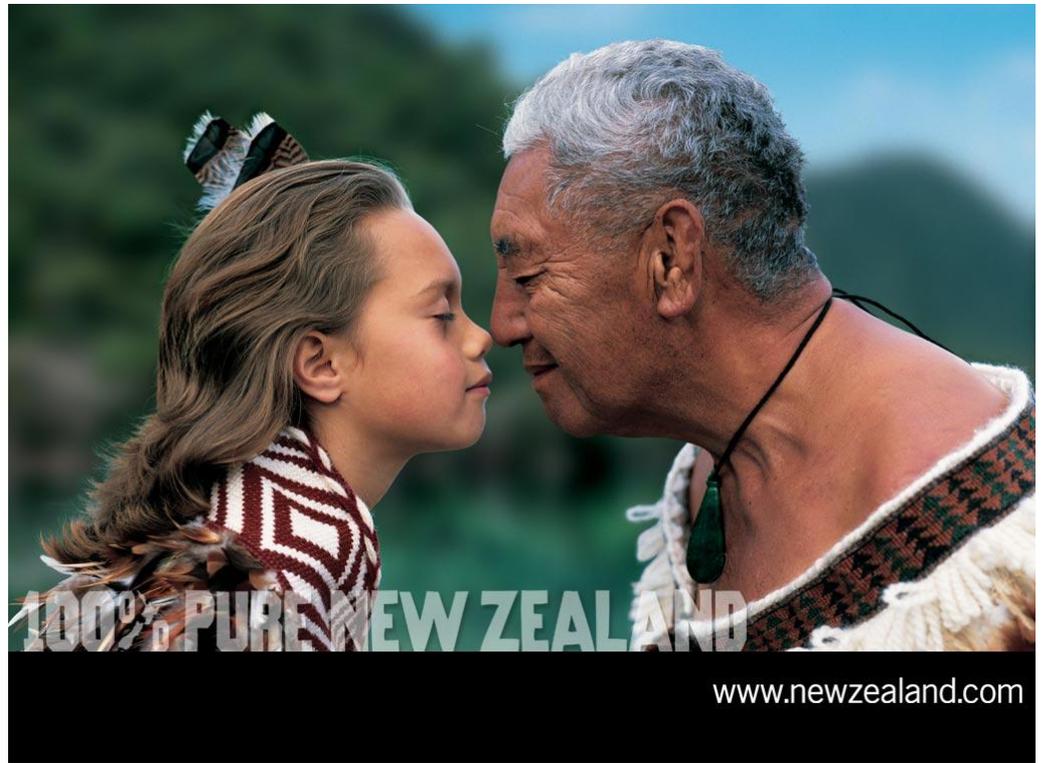


Proudly serving New Zealand

Investing in an airport
that all New
Zealanders can be
proud of

Working hard to
improve the traveller
experience

Competing with
Australasian airports
to bring airlines here



Growing passenger volumes

Asia-Pacific forecast to grow the fastest

New aircraft types changing market

Low cost carrier opportunities

New air services sales pipeline established

It's all about growing supply to stimulate demand

Recent trans-Tasman growth is evidence of these strategies in action



Improving capital intensity

Changing conditions make it sensible to review spend and planning priorities

Northern runway deferred, other medium-term development plans being reviewed

Process efficiency and new technology enables more passengers using current infrastructure



Today



Tomorrow

Managing retail opportunity

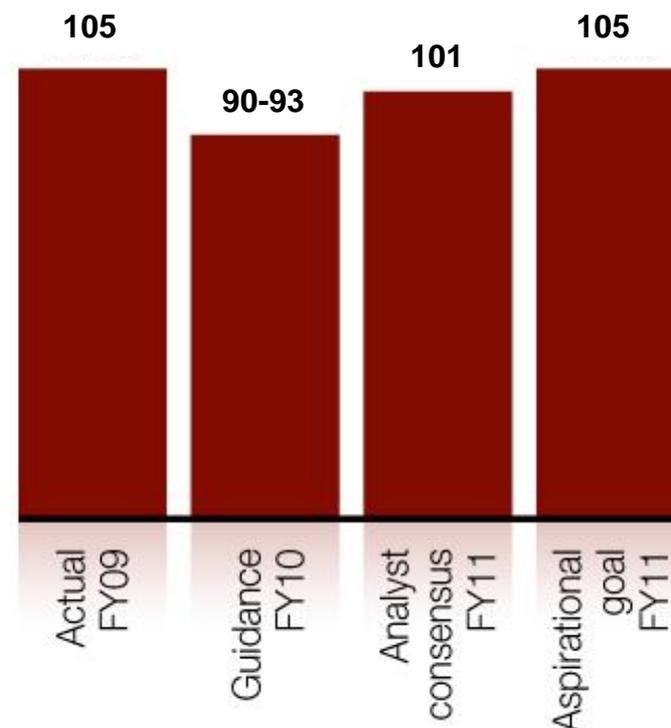
Minimum guarantees a feature of most concession agreements

Typical structure is 80-90% trailing ratchet

Benefit is high exposure to upside, protection to downside

Biggest driver is duty free, currently affected by unravelling of single operator model and soft operating environment

Retail Income (\$ millions)



Using our property assets

Looking to accelerate property development activity – Hotel the first

50 years supply of prime commercial and industrial land available

Airport location becoming even more central to city

Location of choice on broad range of attributes

Customer aligned “property partner” approach

Magnet activities that attract non-aeronautical related customers



Reducing regulatory risk

Process continuing, a regulatory pathway clearing

Regime limited to information disclosure, does not recommend price control, dual-till maintained

Emerging as similar to proven and stable Australian regime

Fully engaged in process

Land valuation in the regulated asset base and treatment of revaluations are key issues

We are strongly opposed to inequitable backdating proposals

Still feels like a regulatory solution looking for a problem



The case for investment

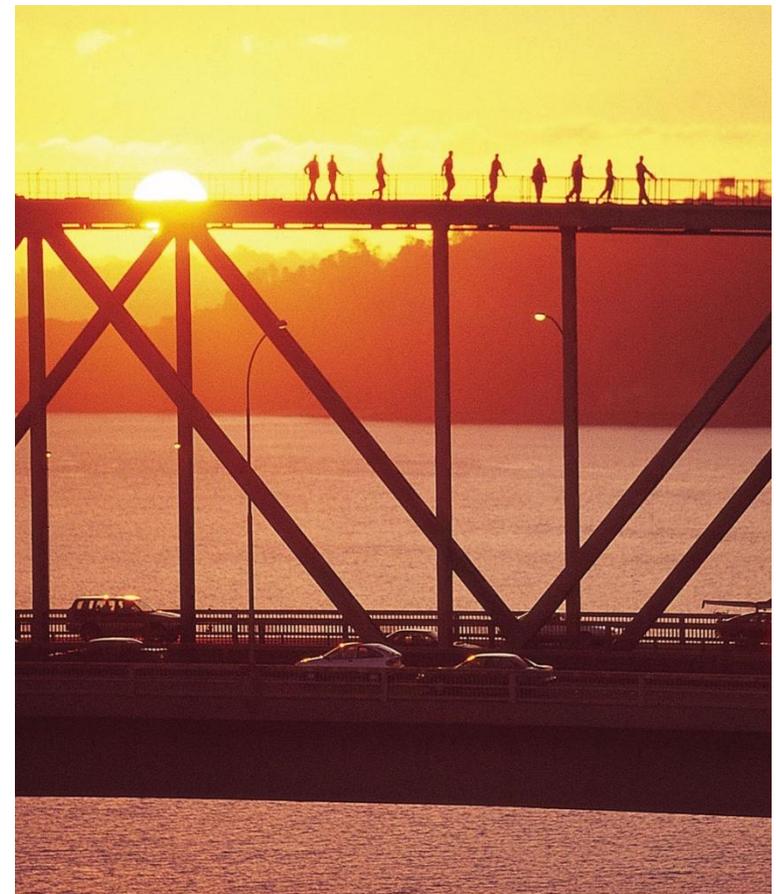
**Outlook for FY10 net profit after tax
\$93m to \$100m**

**Capital expenditure forecast range
\$60m to \$65m, excluding yet to be
committed property development**

Downside risks being mitigated

**Unsure if we are through the worst but
may be at or near the demand trough**

**High upside leverage to economic
recovery or early return to passenger
growth trend-line**



**Thank you for the
opportunity to lead your
company**

It's a great business.

Resolutions

Constitution provides for up to eight directors

Two directors standing for re-election

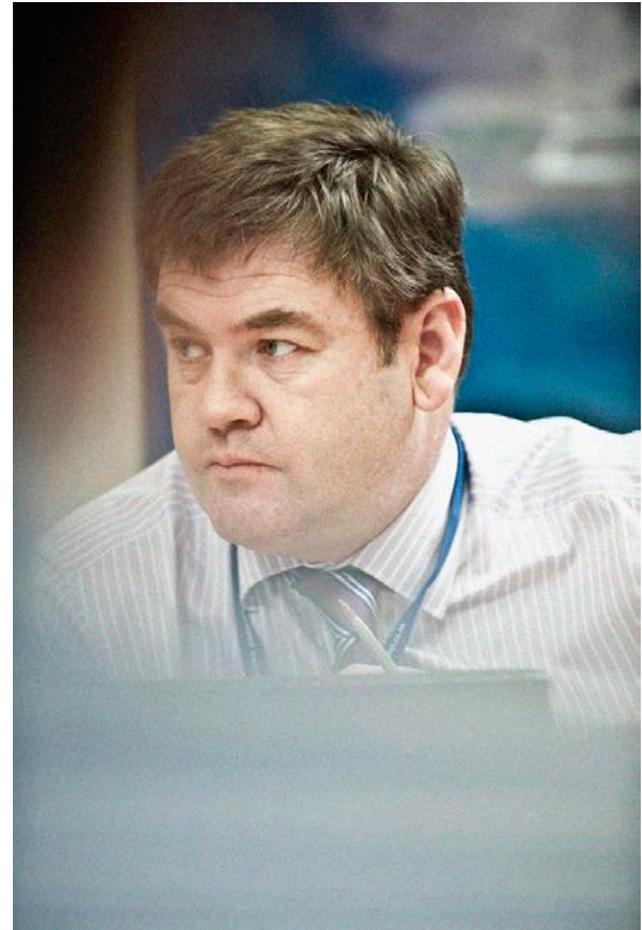
Two new directors standing for election

All to address meeting

Voting by way of poll at end of meeting

Re-election of Director

Re-election of John Brabazon



Re-election of Director

Re-election of Richard Didsbury



Election of Director

Election of Sir Henry van der Heyden



Election of Director

Election of James Miller



Auditors

**Deloitte is automatically
reappointed as auditor**

**Auditors fees to be fixed by
the directors**



Questions



Polls and Close

Polls to be conducted

Formal proceedings closed

**Thank you for your
attendance**

**Please join the directors for
refreshments**



Thank you

