

# Results at a glance

## June 2016

Another 12 months of strong performance and excellent return to our investors.

	30 June 2016 \$m	30 June 2015 \$m	Movement %
<b>Financial Results</b>			
Income	573.9	508.5	12.9
Expenses	143.6	128.5	11.8
Earnings before interest, taxation, depreciation, fair value adjustments and investments in associates (EBITDAFI)	430.3	380.0	13.2
Share of profits of associates	(8.4)	12.5	(167.2)
Investment property fair value increases	87.1	57.2	52.3
Property, plant and equipment revaluation movement	(16.5)	(11.9)	38.7
Derivative fair value movement	(2.6)	(0.7)	271.4
Depreciation	73.0	64.8	12.7
Interest expense	79.1	86.0	(8.0)
Taxation expense	75.4	62.8	20.1
Reported profit after taxation	262.4	223.5	17.4
Earnings per share	22.05c	18.78c	17.4
Underlying profit after taxation <sup>1</sup>	212.7	176.4	20.6
Underlying earnings per share	17.87c	14.82c	20.6
<b>Dividends</b>			
Total proposed dividend for the year (cents per share)	17.50c	14.60c	19.9
Total proposed dividend for the year (\$ million)	208.3	173.8	19.9
<b>Financial Position</b>			
Shareholders' equity	3,880.7	3,042.9	27.5
Total assets	6,141.5	5,101.5	20.4
Debt to debt plus equity	32.7%	36.1%	(9.4)
Debt to enterprise value <sup>2</sup>	19.7%	22.5%	(12.4)
Capital expenditure	243.2	147.6	64.8
<b>Passenger and aircraft statistics – Auckland Airport</b>			
International passenger movements including transits	9,358,290	8,618,191	8.6
Domestic passenger movements	7,902,059	7,198,595	9.8
Maximum certificated take-off weight (tonnes)	6,978,943	6,446,815	8.3
Aircraft movements	157,754	150,956	4.5
<b>North Queensland Airports performance</b>			
	<b>30 June 2016</b>	<b>30 June 2015</b>	
Cairns international passenger movements including transits	767,423	616,748	24.4
Cairns domestic passenger movements	4,243,308	4,041,244	5.0
Mackay domestic passenger movements	845,384	989,560	(14.6)
Revenue (AUD \$million) <sup>3</sup>	AUD 134.6	AUD 127.5	5.6
EBITDAFI (AUD \$million) <sup>3</sup>	AUD 83.8	AUD 81.6	2.7
Profit after taxation (AUD \$million) <sup>3</sup>	AUD (54.8)	AUD 26.7	(305.2)
<b>Queenstown Airport performance</b>			
International passenger movements	474,779	397,927	19.3
Domestic passenger movements	1,176,330	1,000,713	17.5
Revenue (\$ million) <sup>3</sup>	31.5	24.8	27.0
EBITDAFI (\$ million) <sup>3</sup>	21.5	16.6	29.5
Profit after taxation (\$ million) <sup>3</sup>	7.8	8.3	(6.0)



# 20.6%

Underlying earnings per share up  
20.6% to 17.87c



# 8.6%

International passengers up 8.6% to 9,358,290

<sup>1</sup> 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 2016 and 2015. Refer to Appendix A for a reconciliation of these adjustments. <sup>2</sup> Based on the share price as at 30 June 2016 of \$6.50 (30 June 2015 of \$4.94). <sup>3</sup> 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.

# Results at a glance

(cont.)

## Appendix A

### Reconciliation of underlying earnings to profit after tax

	2016			2015		
	Reported profit \$M	Adjustments \$M	Underlying earnings \$M	Reported profit \$M	Adjustments \$M	Underlying earnings \$M
EBITDAFI per income statement	430.3	–	430.3	380.0	–	380.0
Share of (loss)/profit of associates	(8.4)	19.9 <sup>1</sup>	11.5	12.5	(1.8)	10.7
Derivative fair value decreases	(2.6)	2.6 <sup>2</sup>	–	(0.7)	0.7	–
Investment property fair value increase	87.1	(87.1) <sup>3</sup>	–	57.2	(57.2)	–
Property, plant and equipment revaluation	(16.5)	16.5 <sup>4</sup>	–	(11.9)	11.9 <sup>5</sup>	–
Depreciation	(73.0)	–	(73.0)	(64.8)	–	(64.8)
Interest expense and other finance costs	(79.1)	–	(79.1)	(86.0)	–	(86.0)
Taxation expense	(75.4)	(1.6) <sup>6</sup>	(77.0)	(62.8)	(0.7) <sup>6</sup>	(63.5)
Profit after tax	262.4	(49.7)	212.7	223.5	(47.1)	176.4

<sup>1</sup> Auckland Airport's share of the gain on revaluation of investment property held by NQA for the year ended 30 June 2016 was \$1.7 million (2015: \$1.6 million). Auckland Airport's share of the impairment losses recognised by NQA in relation to the Mackay Airport and Mackay Ibis hotel for the year ended 30 June 2016 was \$15.7 million (2015: \$Nil). Auckland Airport's share of the fair value decrease on the derivative financial instruments held by NQA for the year ended 30 June 2016 was \$8.1 million (2015: \$1.7 million decrease). Auckland Airport's share of the gain on revaluation of investment property held by Novotel Hotel for the year ended 30 June 2016 was \$2.3 million (2015: \$2.0 million). Auckland Airport's share of the fair value decrease on the derivative financial instruments held by Novotel Hotel for the year ended 30 June 2016 was \$0.1 million (2015: \$0.1 million decrease). <sup>2</sup> 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. <sup>3</sup> The fair value increase of Auckland Airport's investment property portfolio as a result of the revaluation performed as at 30 June 2016 and 30 June 2015. <sup>4</sup> 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. <sup>5</sup> The portion of the fair value change in the building and services, runway, taxiways and aprons asset class of Auckland Airport's property plant and equipment from a revaluation undertaken as at 30 June 2015. <sup>6</sup> Taxation adjustments as a result of adjustments 1 to 5 above.



# 13.2%

Operating EBITDAFI up  
13.2% to \$430.3m



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