



Auckland
Airport



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Auckland Airport announces another 12 months of strong performance



Auckland Airport has announced its annual results for the financial year to 30 June 2014.

Total profit after tax was up 21.3% to \$215.9 million, while underlying profit after tax increased by 10.5% to \$169.9 million. The final dividend paid to shareholders for the year increases by 12% to 7 cents per share, imputed at the company tax rate of 28%, and is in addition to the \$454 million capital returned to shareholders during the financial year.

Total revenue was up 6.1% to \$475.8 million. Earnings before interest expense, taxation, depreciation, fair value adjustments and investments in associates (EBITDAFI) increased by 7.4% to \$355.2 million. Total passenger movements were up 3.8% to 15.1 million, with international passengers up 5.1% to 8.2 million and domestic passengers up 2.2% to 6.9 million.

Chair, Sir Henry van der Heyden, says, "This financial year we have continued to implement Auckland Airport's Faster, Higher, Stronger strategy. In particular, we have focused on growing travel markets and investing in the retail, property and long-term infrastructure we need to take full advantage of growth opportunities."

"As a result we have seen additional airline capacity and services into Auckland, we have announced our 30-year vision for the 'airport of the future', and we have delivered significant improvements for passengers, retailers and property tenants and maintained our focus on driving efficiency and effectiveness throughout the business. Strong execution of our strategic priorities has ensured we are delivering for investors and that we are strongly positioned for our future. This underlying strength has enabled us to return \$454 million of capital to shareholders this financial year."

Sir Henry says that revenue growth was achieved through strong aeronautical performance (up 8.6% or \$17.3 million), property (up 7% or \$3.8 million) and car parking (up 6.1% or \$2.4 million). Expenses were up 2.6% to \$120.6 million, with the main contributors being outsourcing expenses, up 9% due to the increasing number of passengers using our Park&Ride service, and staff costs, up 6.4% due to the accrual of long-term incentive provisions as a result of continued strong company and share price performance.

Auckland Airport's share of profit from associates totalled \$11.6 million this financial year, an increase of 17.2% on the previous year. Our profit share from North Queensland Airports increased by 15.2% to \$8.1 million, while Queenstown Airport was up 25.7% to \$1.7 million and the Novotel hotel up 19.2% to \$1.9 million.

Sir Henry says, "The final dividend of 7 cents, imputed at the company tax rate of 28%, will be paid on 17 October 2014 to shareholders who are on the register at the close of business on 3 October 2014."

"We are confident in Auckland Airport's ability to unlock further opportunities in the 2015 financial year. We expect underlying net profit after tax (excluding any fair value changes and other one-off items) to be between \$160 million and \$170 million. Due to the 10% reduction in the number of shares on issue following the capital return, this guidance would be a lift in earnings per share of between 2% and 9%. This guidance 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.

 **1.8%**

The increase in the number of international passenger volumes in July this year, compared to July 2013. Growth was led by Pacific Island routes which where up 4.9%.

Working together to save energy



Celebrating excellence and innovation in energy efficiency and renewable energy

A new \$3 million collaborative energy savings initiative will see New Zealand's largest airport working with its commercial tenants to achieve the ultimate goal – to save enough energy to power 750 homes every year and reduce carbon dioxide emissions by one thousand tonnes.

Auckland Airport will work in partnership with its tenants to achieve the ambitious energy-savings target of saving two gigawatt hours of energy per year. Supported by the Energy Efficiency and Conservation Authority (EECA) the programme is the first of its kind.

Speaking at the launch, EECA chief executive Mike Underhill said that Auckland Airport was leading the way in forming meaningful partnerships between landlords and tenants.

"Auckland Airport has already improved energy use significantly throughout its terminals, but this programme breaks new ground in taking a proactive approach with tenants."

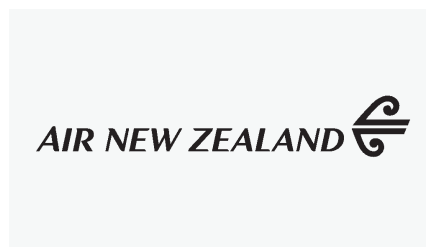
The airport will invest \$3 million over the next three years on projects to measure and manage energy consumption, starting with an energy monitoring system to identify tenants' levels of energy use and areas for potential savings. The Airport itself will also participate and energy consumption across the different buildings will be monitored.

Auckland Airport's chief executive, Adrian Littlewood, said the launch of the energy savings programme builds on the excellent work that has already been undertaken over the past few years.

"We now need to expand our focus beyond the airport's operational boundaries to include the airport hub, business district and the growing airport community."

For information on ways that businesses can save energy go to www.eecabusiness.govt.nz

Air New Zealand and Singapore Airlines combine forces



Auckland Airport, Tourism New Zealand and Auckland Tourism Events and Economic Development welcomed the announcement that a strategic alliance between Air New Zealand and Singapore Airlines has received regulatory approval.

Charles Spillane, Auckland Airport's acting general manager aeronautical commercial, says the alliance will bring substantial capacity growth and improved connectivity.

"This alliance between Air New Zealand and Singapore Airlines demonstrates the commitment that both airlines have to growing connections between Singapore and New Zealand and we congratulate them on this," says Charles.

Auckland Airport estimates that the total additional capacity arising from the alliance on the Auckland-Singapore route to be at least 100,000 seats in the first year.

"Singapore is a critical hub airport, providing New Zealand with access to South East Asia and in particular key emerging markets such as India and Indonesia. This new alliance will help to support the impressive growth we have already seen from these markets," continues Mr Spillane.

Arrivals from Singapore have grown by 19 per cent over the past year; likewise, arrivals from India have increased by 13 per cent and Indonesia by 17 per cent over the past 12 months.

Auckland Tourism Events and Economic Development's manager tourism, Jason Hill, says the increased capacity on the network is often a catalyst to grow demand.

"This is a great opportunity to grow our existing partnership with Auckland Airport and Tourism New Zealand to promote Auckland as a visitor destination and a major gateway to New Zealand," says Mr Hill.

Press Release Link: www.aucklandairport.co.nz

2,281

The number of passengers arriving from Indonesia in July 2014. This figure is four times higher than the same time last year, boosted by the Ramadan holiday falling in late-July compared with early August in 2013.

Singapore Airlines adds an A380 to the Auckland route

In addition to announcing their alliance with Air New Zealand last month, Singapore Airlines also announced that it is introducing an A380 aircraft on the Auckland – Singapore route over the busy summer months.

It is estimated that the A380 will increase seat capacity to and from Singapore by 55,000 seats over the summer and the first flight is set to arrive in Auckland on 28 October this year.

Edwin Chiang, general manager Singapore Airlines New Zealand, says, "This is a significant milestone in our history. Customers can look forward to a whole new level of comfort across all cabin classes and enjoy the connectivity this daily direct service to Singapore provides to our global network."



Holiday arrivals from Singapore increased by 23 per cent in the past 12 months and it is estimated the increased capacity the A380 will provide will inject \$45 million in tourism spend to the New Zealand economy.

Charles Spillane, Auckland Airport's acting general manager of aeronautical commercial, welcomes the announcement and looks forward to seeing continued growth in holiday travellers, both inbound and outbound.

"We have seen fantastic growth in holiday arrivals from Singapore and India and in addition, the number of New Zealanders departing for short-term travel to South East Asia is on the rise. The increased capacity by Singapore Airlines will certainly help to further stimulate this."

Press Release Link: www.aucklandairport.co.nz

The Pride of New Zealand Award costs ice cream and biscuits

Tony Scott (or "Scottie" as he is known at Auckland Airport) has been awarded the 2014 Pride of New Zealand, Fundraiser of the Year Award for the Upper North Island.

Last month, Scottie, who is a fire fighter at the Auckland Airport Rescue Fire Brigade, received the Fundraiser of the Year Award for his efforts organising the Sky Tower Stair Challenge that has raised more than \$25 million for Leukaemia and Blood Cancer New Zealand since it began in 2005.

The Pride of New Zealand Awards are a new event that recognise New Zealand's unsung heroes – including volunteers, fundraisers, caregivers and those that have done something extraordinary to help others.

The awards have received a fair amount of media attention and when congratulated on the award, Scottie commented that it had cost him a lot in ice cream and a few packets of biscuits!



"I was blown away to be nominated for the award, let alone win it! We have a policy at work that if you get your name in the paper you have to shout everyone an ice cream and all this attention is getting expensive. The Stair Climb event wouldn't be a success without the support and effort that goes in by everyone that is involved."

Scottie and the other regional winners will attend a dinner event at the Auckland Museum on 10 September where the national awards will be presented.

Good luck to Scottie. Perhaps if you find yourself in the paper again you could organise Mr Whippy for the team?

For more information on the awards or to vote for Scottie go to www.prideofnzawards.co.nz

More flights to Taiwan this summer

China Airlines has announced it is adding an extra 15,000 seats on its Taipei - Brisbane - Auckland route during the peak New Zealand summer period.

The announcement will mean that for the peak period of December 2014 to March 2015, China Airlines will increase flights on its popular Taipei - Brisbane - Auckland route from three to four times per week. The airline has also confirmed that these services will be upgaged from an A330-300 to the larger Boeing 747-400 aircraft.

Charles Spillane, Auckland Airport's acting general manager aeronautical commercial, says he is delighted with the announcement.

"These two initiatives from China Airlines immediately increase capacity on this route by 15,000 seats over the New Zealand high season. This continued growth in seat capacity shows the strong demand China Airlines has experienced in the New Zealand inbound market and we are delighted with the success this airline is experiencing in New Zealand."

China Airlines New Zealand general manager, Joseph Wu, noted that the Australasian market is one of their most important.

"The decision to add capacity on the New Zealand market is a reflection of the growing demand from Taiwan. We are confident that we will achieve great success during this peak summer season."

Web: www.aucklandairport.co.nz



China Airlines Boeing 747-400

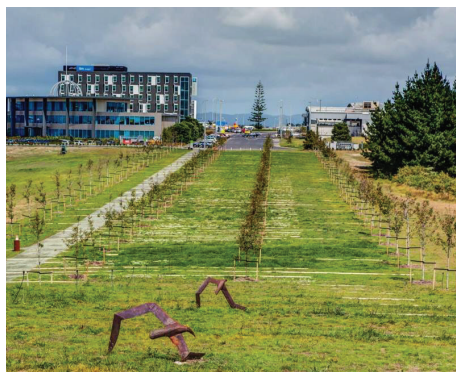
Time to get your footy team together!

Whether you are rugby mad or a football fanatic, it is time to get your team together for the inaugural tournaments set to kick off soon at The District's Footy Field.

The six-a-side touch rugby and seven-a-side football tournaments will kick off at the end of September and are open to everyone that works at The District and along the airport corridor.

Men's and mixed teams (with at least two women) are welcome for both tournaments. The six-a-side touch rugby matches will be every Tuesday from 30 September to 10 December at a cost of \$400 per team. The seven-a-side football will be held every Thursday from 2 October to 12 December and costs \$500 per team for the 10 weeks. The cost per player is approximately \$7 per week for either tournament.

All matches take place at the newly opened Footy Field at the end of John Goulter Drive and across the road from the Countdown supermarket.



The Footy Field was developed by Auckland Airport to benefit those who work at The District.

Szimpla Gastro Bar (next to the ibis budget Hotel) is the official post-match clubrooms and will be generously giving out player of the day prizes each week.

To register for the tournament, simply go to www.footballfix.co.nz and www.totaltouch.org.nz.

With spring on its way, there will be more events and activities held at The District for the community who work here. To sign up for event alerts go to www.aucklandairport.co.nz/TheDistrictEvents

Students learn about internships at Auckland Airport

The Auckland Airport and Manukau Institute of Technology (MIT) internship programme helps place local people into local jobs and at a recent expo, students had the chance to learn about what it is like to work at businesses based at the airport.

Into its third year, Auckland Airport held the internship programme's annual expo on Tuesday 19 August. Open to MIT students, the programme supports Auckland Council's Southern Initiative that encourages local people into local jobs.

The expo marked the potential beginning of a students' internship journey. They learnt about the internship programme structure, businesses at the airport involved in the programme and also had the opportunity to explore the airport environment.

In its first year, the programme saw 10 MIT students offered summer internships. During the second year, this was doubled with 20 students landing summer placements. This year, Auckland Airport hopes to again increase the intake of students.

The interns work over their summer break from December through to February for one of the eight participating businesses - Auckland Airport, DFS Duty Free, JR Duty Free, LSG Sky Chefs, Relay, TravelPharm, AWPL and Skycare.

Charles Spillane, Auckland Airport's general manager corporate affairs, commented about the success of the programme and its rapid growth over the last three years.

"It is fantastic to see these students, here at the airport, engaging with businesses and learning about potential employment opportunities on their doorstep."



Students gather at the expo to hear about the internship programme.

Firefighters go head to head in the Chill Factor Challenge



We all know that a firefighter's suit can withstand the hottest temperatures, but did you know they also perform in freezing conditions like those found on a South Island mountain in winter?

It is that time of year again where teams of four firefighters race each other and the clock down Coronet Peak in Queenstown raising money for the Bruce Grant Youth Trust.

To make the race more interesting competitors are dressed in their fire fighting kit and have to hold onto a 25m hose as they make their decent as many times as they can in two hours, by ski or by snowboard.

The Trust supports young people from the Wakatipu basin who want to reach their full potential through sports, arts and cultural endeavours. The Chill Factor Challenge is now into its fourth year, and this year raised over \$22,000 for the Trust.

The Auckland Airport Rescue Fire Brigade came an impressive second place against the southern brigades and raised \$7,000.

Tony Scott, senior member of the Auckland Airport Rescue Fire Brigade and an event organiser, said the event is heating up and teams are starting to beat their records.

"The speeds the Skiers were getting up too! The Wanaka brigade broke the standing record by two descents to take the new record to 16 descents in two hours, while we beat our past record by one descent. It's also great to see how the \$22,000 the firefighters have raised from this event has helped the local youth in Queenstown."

Local talents perform at the international terminal



Aorere College students performing in the international terminal.

Auckland Airport has introduced a performance programme that enables creative groups from the local community to perform to a live audience at the international terminal.

The first performance was by Aorere College who delivered a rousing dose of rhythm and soul to passengers, visitors and staff at the international terminal on Thursday 21 August. To maximise exposure, performances coincide with busy times at the international terminal.

Charles Spillane, Auckland Airport's general manager corporate affairs commented that the programme is a win, win.

"The programme offers a platform for local groups to reveal their talent to the large number of people that visit Auckland Airport every day, whilst providing passengers and visitors to our airport with a uniquely local experience!"

"We are proud to be part of a local community that has an abundance of talented, vibrant and creative individuals. Our new community performance programme is aimed at helping to showcase this local talent."

Make sure to keep your ears and eyes peeled for the next performance by local primary school Clayton Park's kapa haka group.

Auckland Airport supporting the Gateway programme

Four students in their final years at Otahuhu College got to experience first-hand what it takes to be involved in the running of New Zealand's busiest airport through Auckland Airport's Gateway programme.

The students had expressed an interest in joining the travel and tourism industry and the Gateway programme provided them with the opportunity to be chaperoned through four areas of the airport to learn about airport management, landside operations/monitoring, airport security and airfield operations.



Otahuhu College student Shagufta Khan checking out the cockpit of a Singapore Airlines Cargo plane

In a stroke of good fortune, the students were airside as an Emirates A380 landed. They were treated to an onboard tour and got to discover the different levels of accommodation available. They also had the opportunity to sit in the cockpit as an engineer went through equipment checks.

When asked to provide feedback, the students commented that they really enjoyed finding out about each role, in particular about airport security and the safety of both passengers and staff.

Auckland Airport's Gateway programme is part of a larger initiative run by the Tertiary Education Commission to provide students with workplace learning opportunities.