

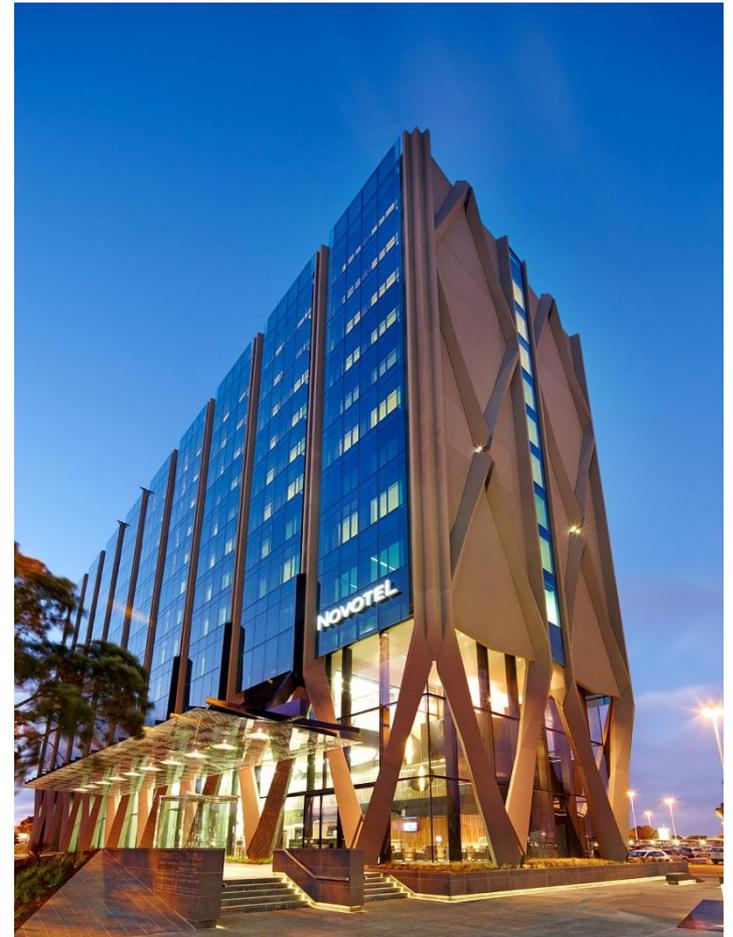
Auckland International Airport Limited

Investor Day
16 June 2011



Agenda

- **9.00am** Introductions
- **9.05am** Continuing the growth trajectory
(Simon Moutter & Simon Robertson)
- **10.00am** Break
- **10.30am** Shaping markets for faster growth
(Glenn Wedlock)
- **11.30am** Sustaining our retail growth trajectory
(Adrian Littlewood)
- **12.00pm** Lunch
- **1.00pm** Property momentum
(Peter Alexander)
- **2.00pm** Tour of property precincts
- **3.00pm** Drinks



Auckland International Airport Limited

Investor Day
16 June 2011

*Continuing the
growth trajectory*



Our vision is clear

To build a great New Zealand business recognised as a world leader in creating value from modern airports

Our vision is clear and focussed on our core competencies

- **Our skill in managing the large scale movement of people in an Airport**
- **Our highly effective concession/outsourced business model**
- **Our strength in developing highly efficient enabling infrastructure**
- **Our excellence in developing opportunities for growing for air services**
- **Our ability to drive retail yield performance through proactive management of the Airport environment, information and concessionaires**
- **Our proficiency in maximising yield from parking assets by developing products, markets, promotions and infrastructure**
- **Our capability in developing and managing large scale, comprehensively planned, developed, owned and managed mixed use property estates**

Strategy evolves as business grows

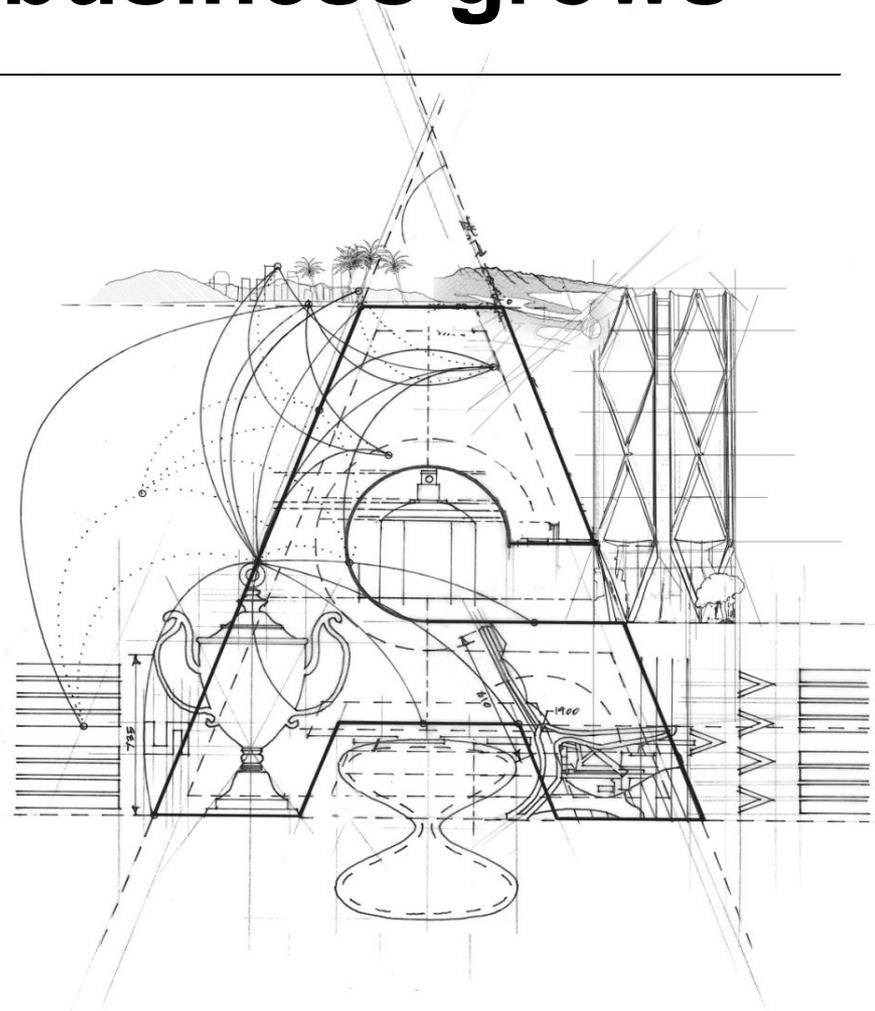
Two years of directional clarity, boldness and strong execution is paying off

We have closed the capability gaps in our transformation from an infrastructure builder to a sales-led driver of growth

Six years of flat underlying profitability of about \$105m is behind us

We no longer think about kick-starting growth – the engine is running!

Now is the time for Auckland Airport's strategies to be "tuned-up" as we position the business to continue the growth momentum



Outline of June 2011 business strategy

	Strategic Themes
Negotiate Win Win Commercial Frameworks	Fuel growth through aeronautical commercial arrangements which deliver long-term superior value to regulated posted-terms
Drive Growth in Tourism and Trade	Drive a sustainable upward shift in New Zealand tourism and trade volumes and values
Sustain Retail and Property Growth Trajectory	Further upweight capability and resources to grow retail and property return on investment
Deliver a Smarter Airport Experience	Solve for future growth with smarter delivery of an excellent airport experience
Maximise Beneficial Airport Partnerships	Partner with our airports and others for superior growth
Provide Outcome Focused Leadership	Set the agenda and gain support from internal and external stakeholders

Negotiate win-win commercial frameworks

Not all airlines have the same growth ambitions, risk appetite or business model

A one size fits all approach to commercial arrangements limits how our airline partnerships can be grown

Auckland Airport will engage with any airline that has a desire to have an individual commercial relationship

Discussions are commencing with two airlines to see if there are common objectives with beneficial outcomes for both parties



International



Code Share

Negotiate win-win commercial frameworks - regulatory

Auckland Airport is investing in changes to systems and reports in preparation for the first information disclosure reporting in May 2012

Also underway is a revaluation of land as at 30 June 2009 and 30 June 2011 in accordance with the MVAU methodology established by the Commerce Commission

Auckland Airport is appealing parts of the Commerce Commission's input methodologies for information disclosure relating to asset valuation and WACC

Timeframe for the merits appeal to be heard is likely to be delayed due to other companies seeking a judicial review of the Commerce Commission process



Driving growth in tourism and trade

We know that international passenger volumes are a significant value driver for Auckland Airport

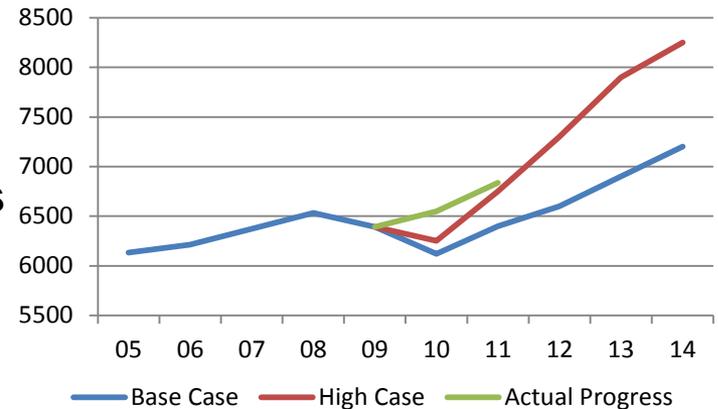
Our 2009 aspirational goal to grow international passengers by 2 million passengers is becoming achievable

Our air services development work, with its focus on Asia, is having considerable success

IATA expect 800 million new travellers by 2014 (from 2009) with 360 million on Asia Pacific routes

We believe there are further opportunities to grow passenger volumes faster than the market's organic rate and we are investing further resources into delivering superior passenger growth outcomes

2009 International passengers (excl. transits)
planning assumptions per financial year (000's)



Sustaining our retail growth trajectory

Strong retail growth in the current year driven significantly by the new passenger experience in international departures

Strong car parking growth in current year driven significantly by online booking channel increasing utilisation and allowing targeted promotions

As we lap the commencement of these initiatives the strategies for growth relate to leveraging off proactive landlord approach and targeted marketing and commercial initiatives

Our objective is to lift passenger spend rates while still growing passenger volumes



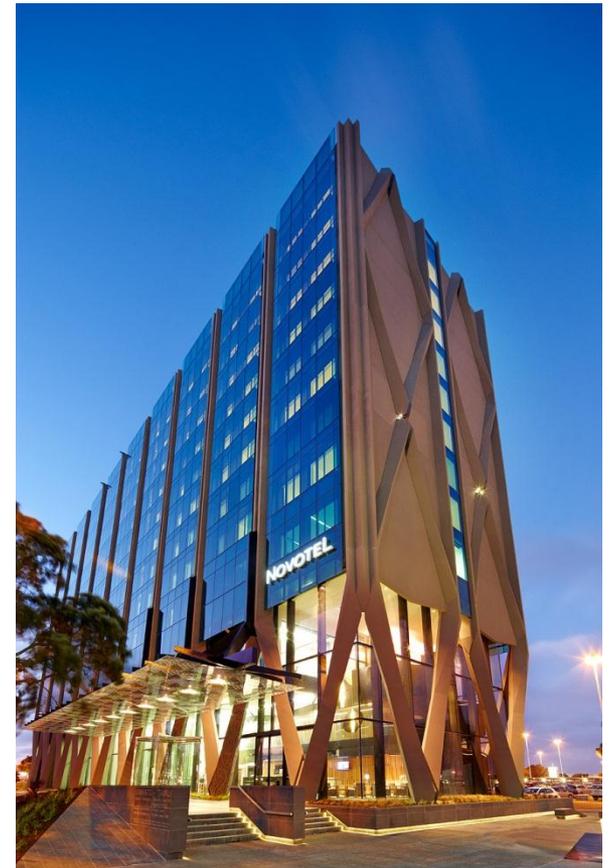
Sustaining our property growth trajectory

Our property growth strategy is to have a clear property proposition, increase amenity and gain critical mass to leverage opportunities between each property precinct

We have developments underway or just finished in accommodation, industrial and office segments

One currently untapped opportunity is linked to retail opportunities in the Altitude precinct

Our objective is to gain more than our fair share of market opportunities to grow our property divisions rent roll to between \$50m and \$60m by FY14



Deliver a smarter airport experience

This new strategic theme ensures that our short-term and long-term airport infrastructure provides the quality experience demanded by passengers

Links to changing technologies and innovation to improve departures, arrivals and border initiatives

Efficient airport processes increase the propensity to travel and increase the available capacity (deferring growth capital expenditure)

Work on master planning initiatives is underway to test our terminal and runway plans to ensure they unlock the full value potential of aeronautical and non-aeronautical revenues



Why masterplanning is a key component of strategy

A320-200 fleet up gauge impact on the DTB will be significant

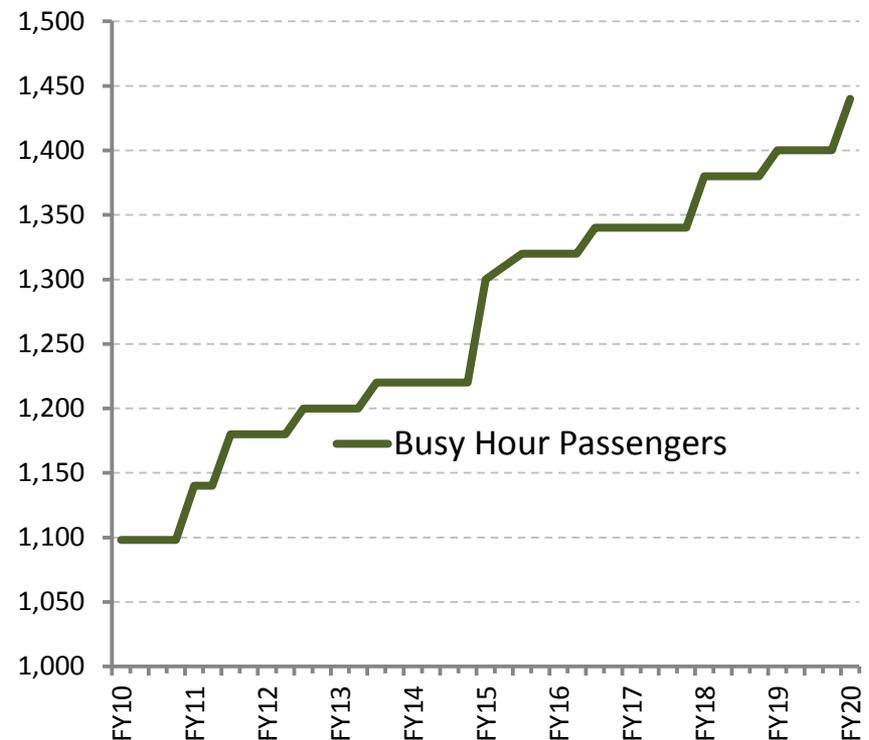
Between FY 11–16, Air NZ will take delivery of 14 Airbus 320-200 jets, each configured to seat 171 passengers

This compares with the 133 seat configuration of the Boeing 737's they replace

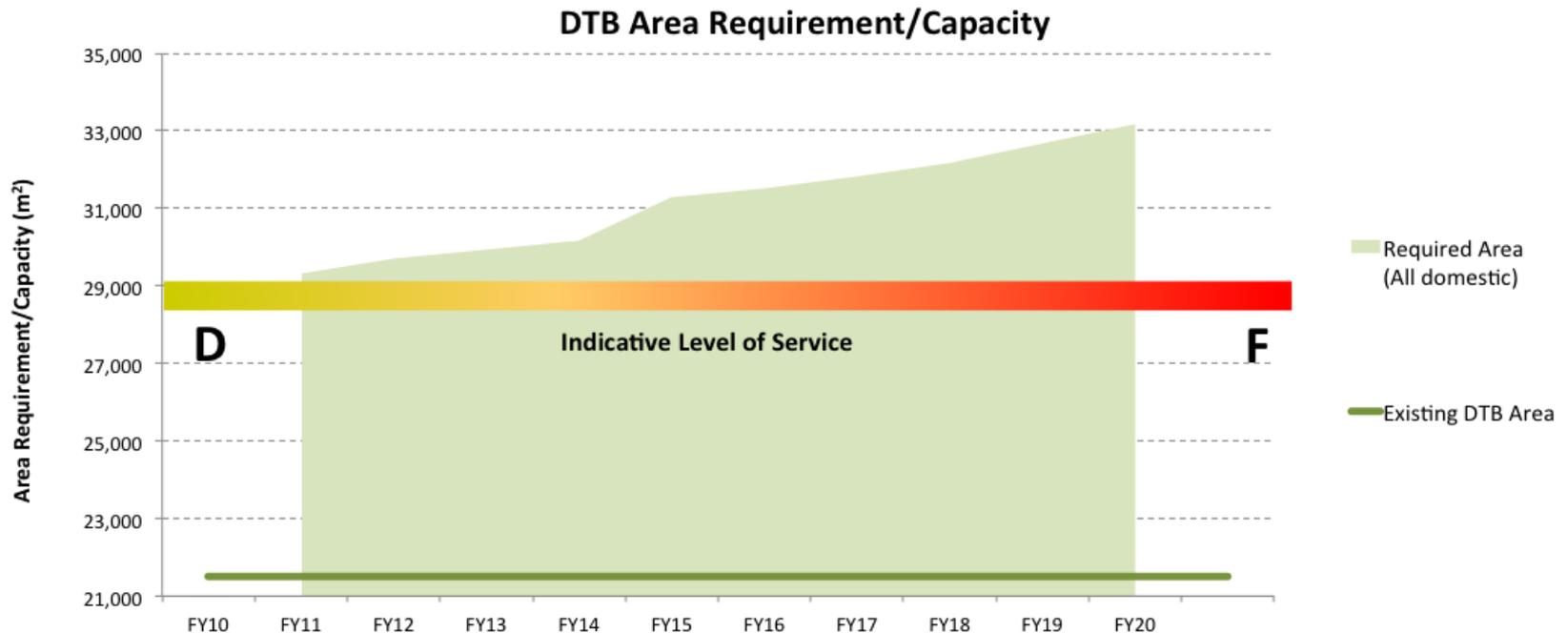
The fleet replacement is 'like for like' with no schedule change. Air NZ is committed to selling the additional capacity

Over this period, absent other changes, peak busy hour traffic will increase 18% overall in the DTB, with Air NZ jet facilities at the centre experiencing a 28% increase

Any concerted Jetstar response or new entrant would be incremental to peak busy hour passenger numbers



Impact of pax growth on DTB service experience



The domestic terminal is currently ~27% undersize for its peak busy throughput, based on IATA standard C (represented by the shaded green area). Absent any intervention, the service experience will continue to slide to the bottom of the IATA scale.

Together with airlines we will find the path for a better solution

We are working towards identifying the best solution with our domestic airlines.

Options include investing in the current DTB location

- **lower initial cost**
- **probably a medium-term solution**

Or investing in a new DTB to the north of the ITB with or without a northern runway

- **higher initial cost particularly if a northern runway is included in solution**
- **provides a long-term solution**

Or accepting a lower level of service outcomes

The solution including timing, value of capital expenditure and aeronautical revenue impact are to be resolved but will require an agreed path with our airline customers

Maximising beneficial airport partnerships

Driving value from our positions in NQA and Queenstown enables Auckland Airport to share in the growth of fast growing airports

NQA improvement milestones for FY11 are on track to be surpassed

Queenstown legal position behind us and actual performance is above business case

Our airport expertise is delivering value and we believe further strong growth remains achievable

We would be happy to invest further in these airports but no path for increased stakes is currently likely

Working with other airports may also be possible on air services development or other opportunities (like approach to insurance)



Providing outcome focused leadership



We know that strong internal leadership qualities will transfer into higher value creation

We are a leading company in supporting, promoting and building New Zealand tourism

Strong internal and tourism leadership will lead to heightened growth outcomes for Auckland Airport's investors but also for Auckland and New Zealand

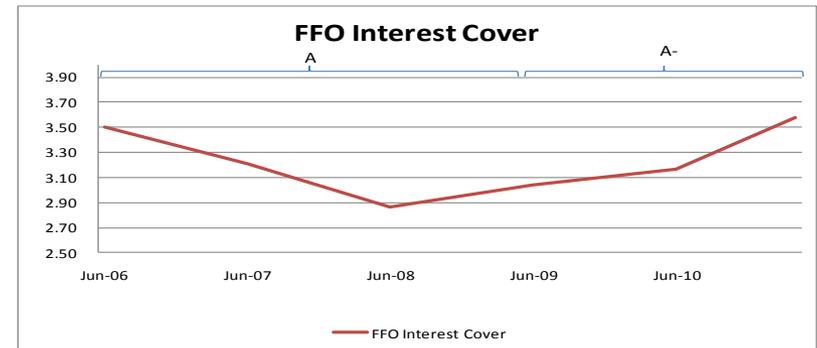
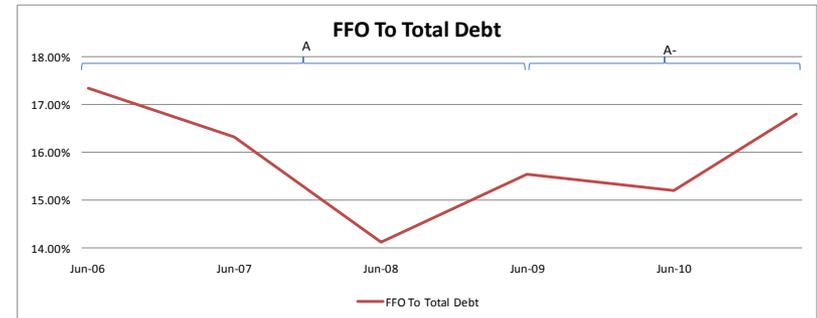
Our growth is supported by a strong balance sheet

Our debt levels have remained constant since 2008

Gross interest costs (excluding capitalised interest) has been falling from 2009 while cash flow has been increasing

Credit metrics are now stronger when the Company was an A rated entity

We believe this positions Auckland Airport well to invest for the future in property and in necessary aeronautical capital expenditure while maintaining a strong credit rating and continuing to distribute 90% of underlying profits to shareholders



Our big targets

Our aspirations for growth are strong. We are excited by the growth potential of the business and continue to challenge our people, the markets and our investments in assets to deliver results beyond planning assumptions

We are having success on the path to our big targets including:

We are committed to work together to unlock the potential value in our airport businesses to grow earnings above \$150m by FY13



Our big targets

Our aim is to grow international passenger numbers (excluding transits) by 2 million movements by FY14

We believe that the greatest opportunity for passenger movement growth in the medium and long-term is from Asia. Therefore we will focus our efforts to capitalise on the Asian opportunity so that New Zealand is an early preference for the fastest growing markets. From a base year of FY10 we will aim to double Chinese arrivals by FY16 and increase Indian arrivals by 50% by FY14

We will aim to develop the property business so that the committed rent roll on leased property outside of the terminals is between \$50m and \$60m by FY14

We will aim to develop the products available to passengers to grow our retail business segment to \$170 million by FY13



Impact of natural events/disasters

Long-term impact of Christchurch, Japan, and Chile ash cloud events still not yet known

Has been some short-term and modest impact on traffic flows to NQA, ZQN and Auckland

Impact of Japan on Cairns likely to slow the very strong growth momentum experienced this financial year

Any adverse impact on New Zealand tourism market will likely be mitigated by a market response to shift travel itineraries and by a diverse passenger base and multiple connectivity options

Business and VFR travel unlikely to be significantly impacted



The case for investment

Low risk exposure to Asia–Pacific growth story

Ownership position in four airports all with considerable upside potential

Growth strategies succeeding in growing passenger volumes, aero revenues, retail yields and property rents and plenty more to come

Strong Balance Sheet with diversified sources of funding

Guidance for full year has a significant lift on prior year and long-term prospects for our airports and the markets they serve are strengthening



Questions



Shaping markets for faster growth

determination^{NZ}



Shaping markets for faster growth

We aim to influence the shape of travel market to open opportunities faster than they would otherwise occur

We focus on where we believe the opportunities are the greatest

We will work with multiple parties to maximize opportunities, open new markets and/or ease the burden on the traveller

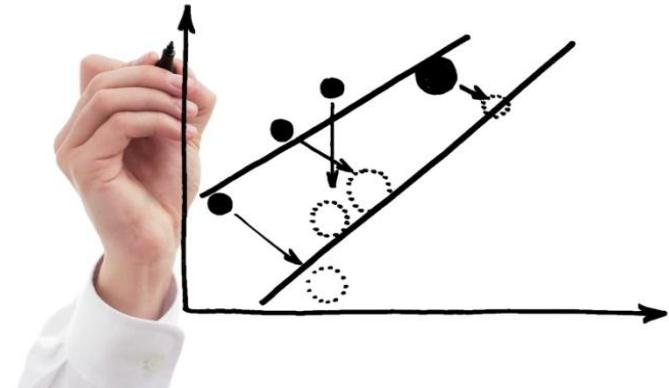
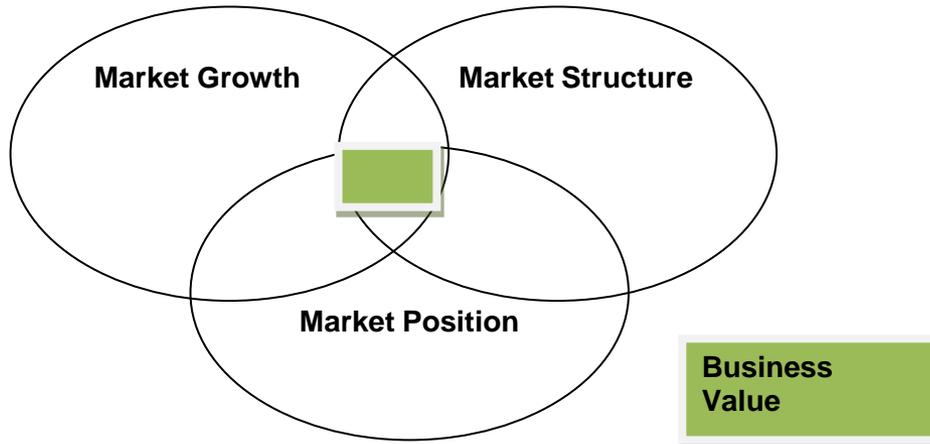
New Zealand fights for attention in travel markets and we aim to ensure the New Zealand opportunity gets noticed

We are prepared to invest our resources, including marketing as we believe the value of bringing forward growth is a long-term high value investment



Market structure as a driver of growth

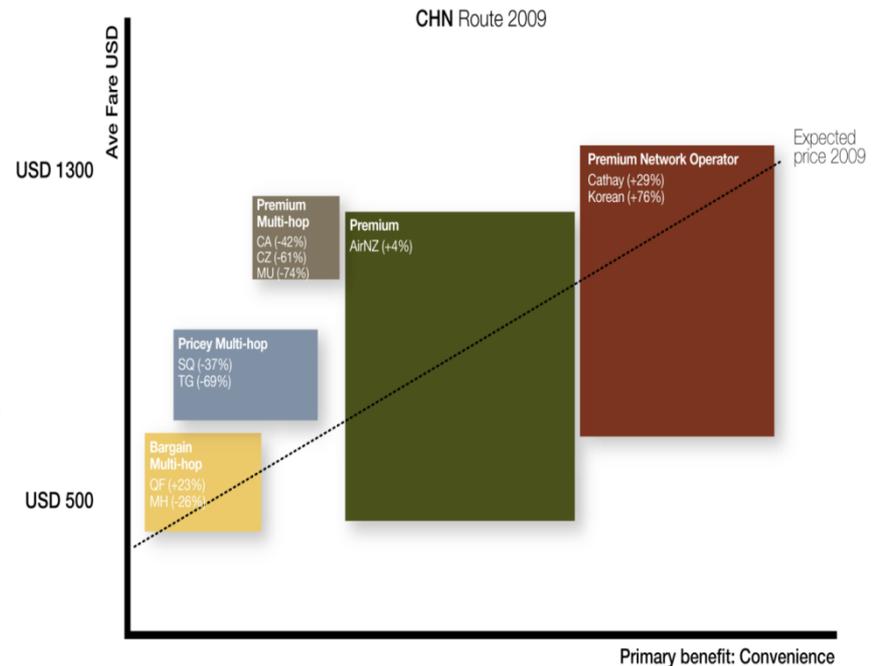
To drive our business value we must drive growth and residual value. Given capital intensity we need to develop the right market structure and our competitive position.



Market structure as a driver of growth

Primary benefit is a platform we call convenience. To understand the market structure we question aspects of the market eg:

- Where are the players positioned?
- What is the shape and size of the market and is this desirable?
- What are the market leading indicators?

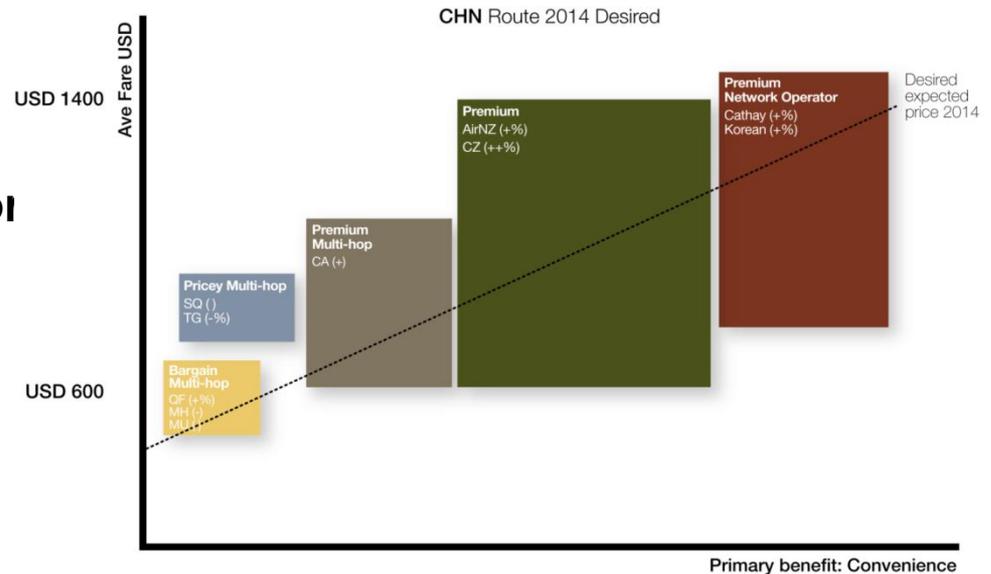


Source: SABRE ADI

Market structure as a driver of growth

We then consider a possible future view and then question:

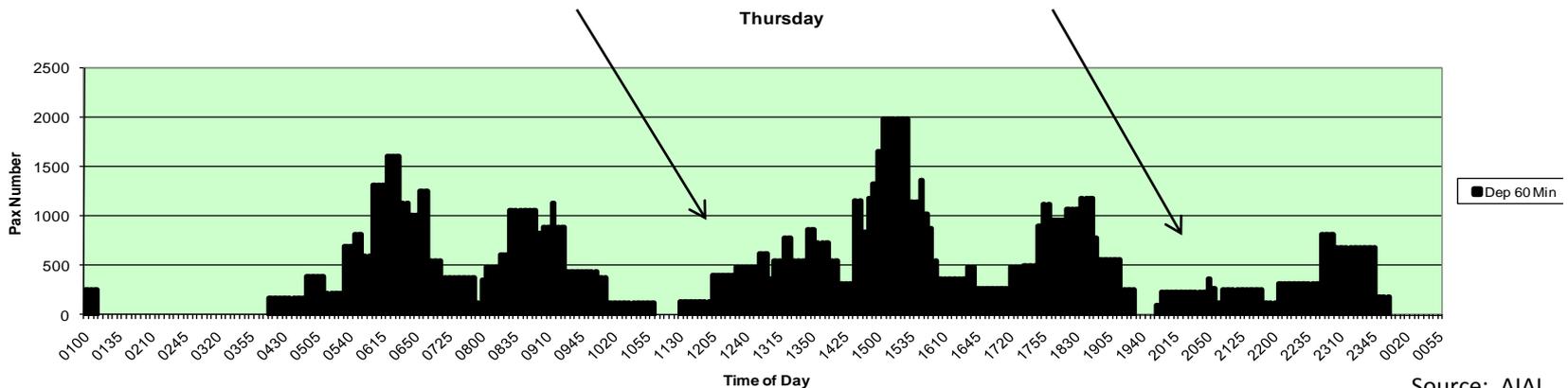
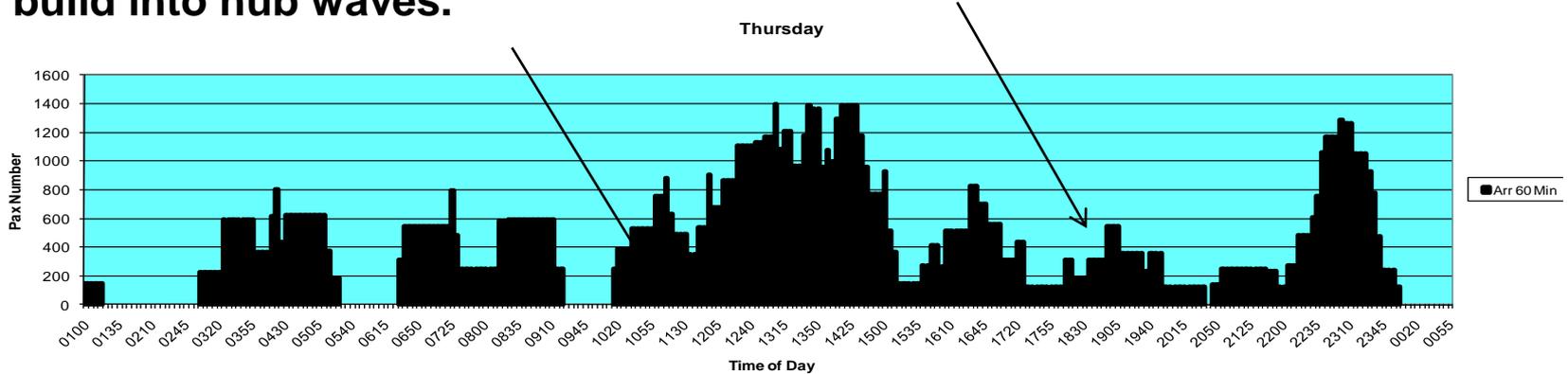
- Is it desirable?
- What are the implications for customers?
- How do we shape the market?
- Product implications?
- What is the risk?



Source: SABRE ADI

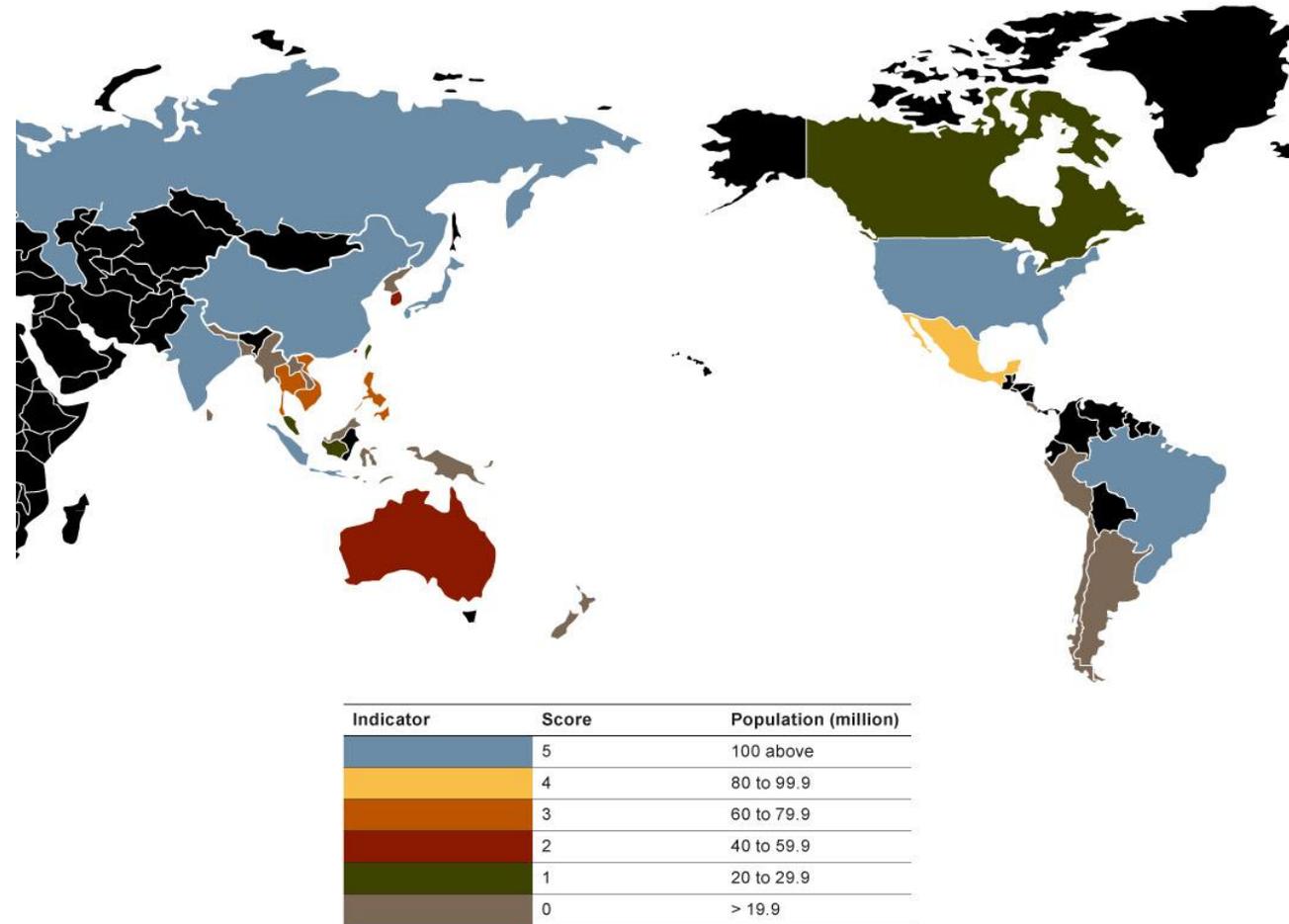
Where can we build utilisation and connection

To grow markets we need to ensure we have the capacity to capture opportunities. Long haul flights build utilisation across the day to build into hub waves.



Source: AIAL

Population size of countries accessed by direct flight is important to understand market opportunities



Country	Rank
Argentina	1
Australia	1
Brazil	5
Brunei	0
Cambodia	0
Canada	1
Chile	0
China	5
Cook Islands	0
Costa Rica	0
Ecuador	0
Fiji	0
French Polynesia	0
Hong Kong	2
India	5
Indonesia	5
Japan	5
Korea	2
Laos	0
Malaysia	1
Mexico	4
Myanmar	0
Nepal	0
New Caledonia	0
Papua New Guinea	0
Peru	0
Philippines	3
Russia	5
Samoa	0
Singapore	0
Sri Lanka	0
Taiwan	1
Thailand	3
Tonga	0
United States of America	5
Vanuatu	0
Vietnam	3

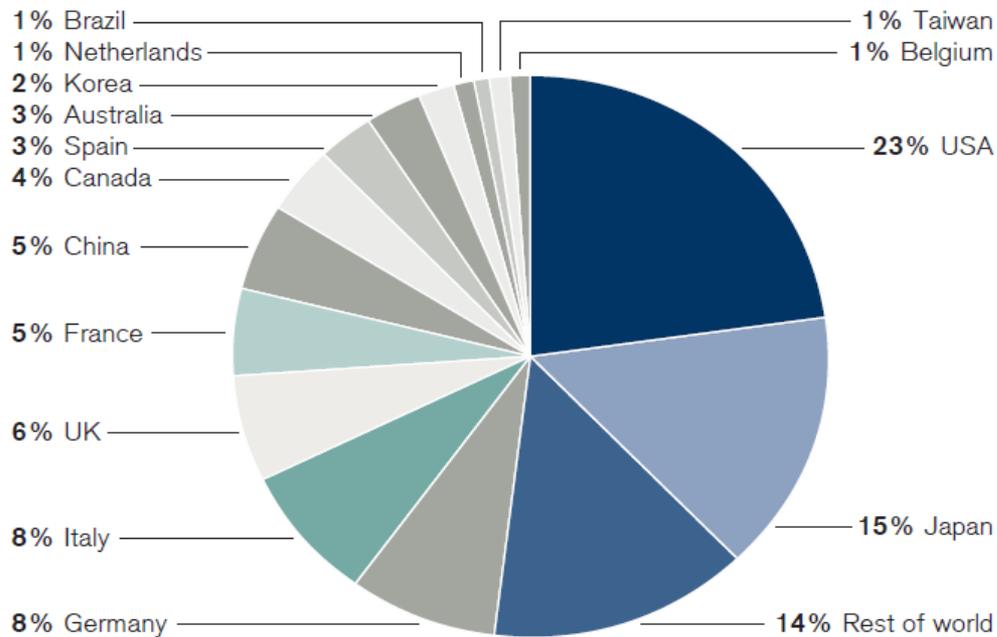
Source: ASPERION

As is understanding population wealth characteristics

Figure 4

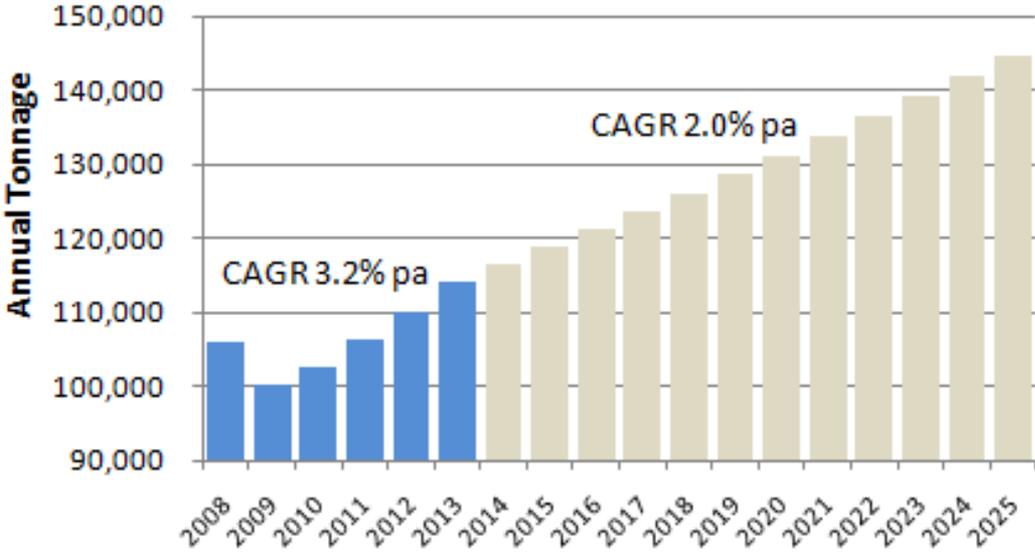
Owners of wealth above USD 100,000 by country of residence

Source: Credit Suisse Global Wealth Databook, Shorrocks/Davies/Lluberias



Freight volumes provide a market opportunity

Projected growth in Auckland air freight export volumes and compounded annual growth rate to 2025



Organic growth forecasts of 3.2%.

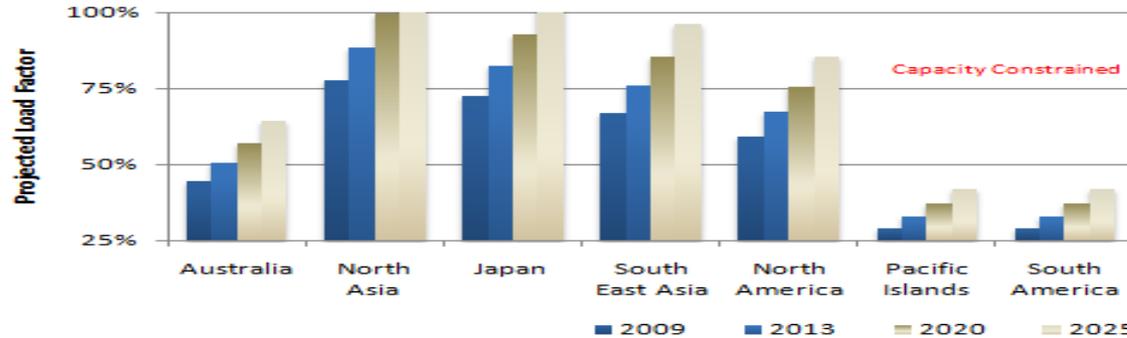
For 12 months ending April total airfreight volumes increased by 2.2%.

April month was up 12.5%.

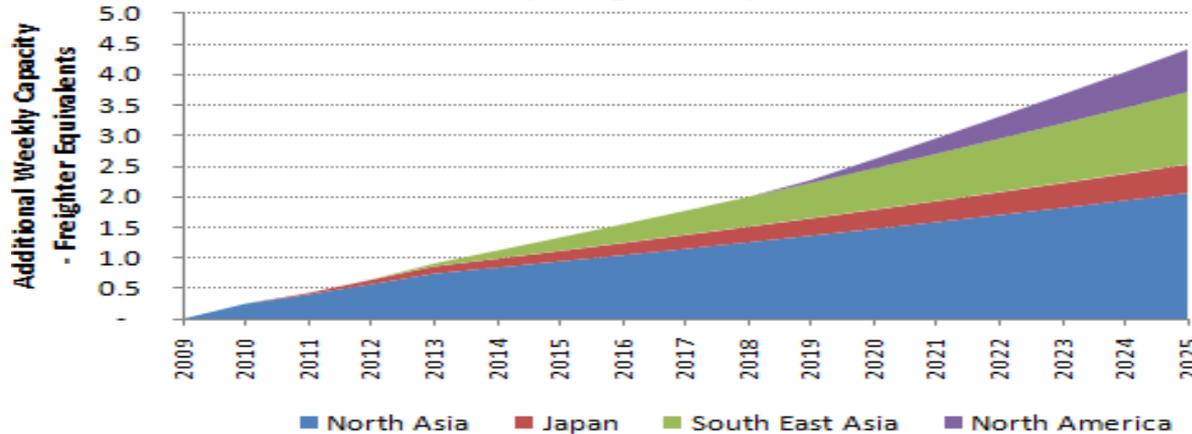
Source: EAGLE I

As some routes are constrained for freight

**Projected load factor by non stop route (all carriers)
- 2009 to 2025**



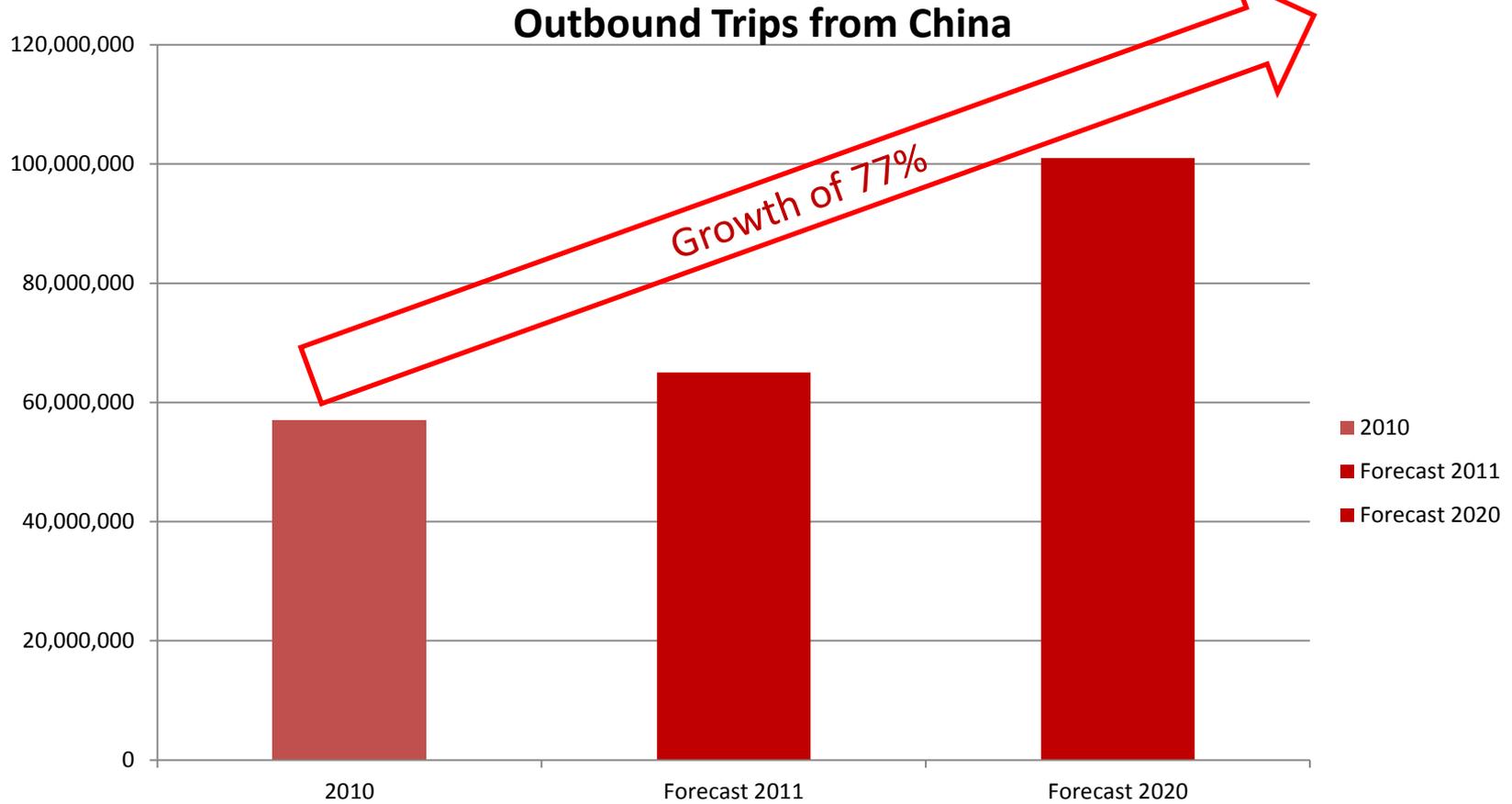
**Additional capacity to accommodate organic growth -
weekly freighter equivalents**



Target 29 weekly 777-200 to meet organic growth with North Asia begin identified as constrained

Source: EAGLE I

Growing markets will get our attention



Source: WTO, BCG

China is volume and massive wealth!

- 1.34 billion people
- China replaced the United States as NZ's second-largest export market at US\$2.66 billion
- 57 million outbound trips in 2010
- NZ currently 0.2% of market
- One in every 175 people in Shanghai has personal wealth of US \$1.5 m
- Estimated 4,000 RMB billionaires in China
- 30% of London luxury good sales made to Chinese travellers



Source: CNTA, BCG

Development of high value travel from China

	Inexperienced travelers	Experienced mass-market travelers	Experienced affluent travelers
Attitudes and aspirations	<ul style="list-style-type: none"> ◇ Travel is for sightseeing—the more the better ◇ Traveling around the world is a lifetime dream 	<ul style="list-style-type: none"> ◇ Travel is to explore cities outside nearby regions ◇ Outbound travel is an indication of status and special occasions 	<ul style="list-style-type: none"> ◇ Travel is good for relaxation and stress relief ◇ Prefer to return to places that offer relaxing activities and a slower pace of life
Trip activities	<ul style="list-style-type: none"> ◇ Packed schedules of must-see sites ◇ Historical sites and museums 	<ul style="list-style-type: none"> ◇ Sightseeing and relaxing entertainment 	<ul style="list-style-type: none"> ◇ Entertainment, shopping, and luxury accommodations rather than overscheduled sightseeing
Trip planning	<ul style="list-style-type: none"> ◇ Travel agencies for packaged tours and booking assistance ◇ Word of mouth, TV, and websites 	<ul style="list-style-type: none"> ◇ Fewer packaged tours and more independently planned trips ◇ Online search and booking 	<ul style="list-style-type: none"> ◇ Websites are the main channel for travel planning ◇ Premium theme-based tour packages for outbound trips
Share of total travel spending¹			
2010	◇ 56%	◇ 23%	◇ 21%
2020	◇ 33%	◇ 26%	◇ 41%

Sources: BCG Chinese Consumer Travel Survey, July 2010; BCG consumer interviews.
Note: We define inexperienced travelers as those with fewer than three years of travel experience who have taken fewer than three trips in the past 12 months. Experienced mass-market and affluent travelers have made more than three trips in the past 12 months.
¹Share of the total value of the domestic and outbound overnight leisure markets.

Source: BCG

Routes – Competition for aircraft is fierce



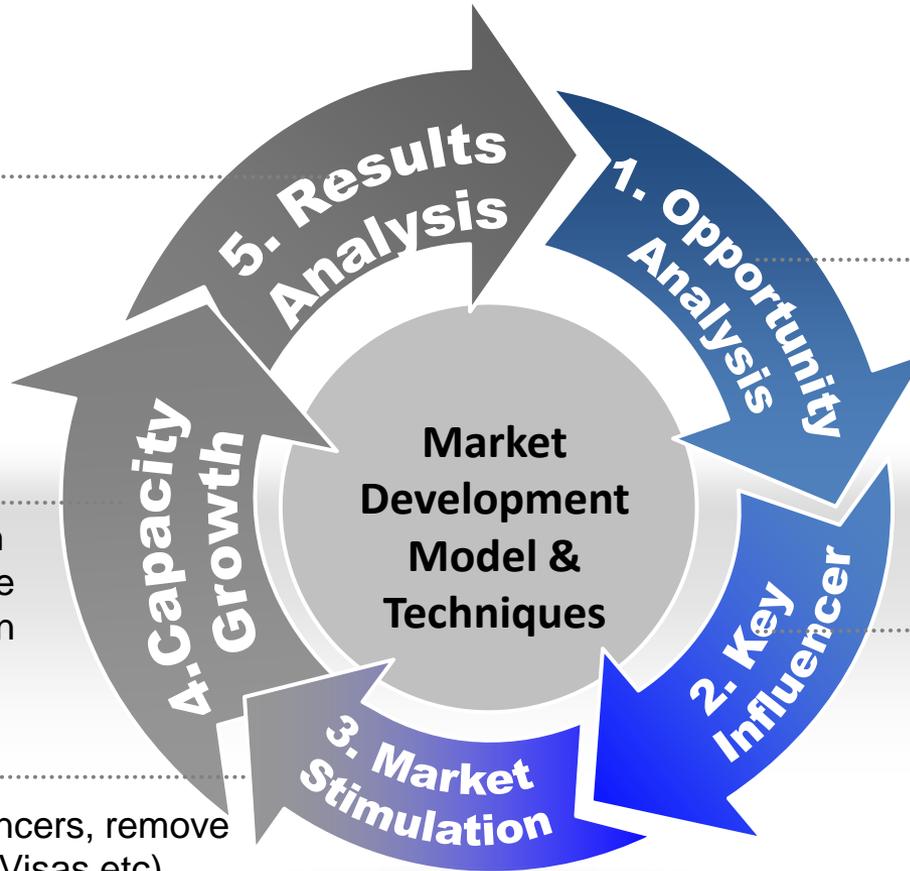
Facts

- 2 Days
- 350 Airlines
- 750 Airports
- 2300 Attendees
- 28,000 Meetings

The Development Playbook!

- Easy- Air rights, Visas, Distribution, Network fit**
- Strategic Imperative: create case, resolve issues, buy in from partners, building influence, creating opportunity cost, regional/alliance strategy link**
- Great value & result: Comparative advantage, growth, support, developing success, creating the success story, building depth**

Market Development Loop



Learning from results to improve our knowledge and develop sustainable market structure

Target growth market segments through considered and detailed analysis of markets

Securing capacity growth is a fundamental outcome of the demand stimulation

Work with key influencers for the route and market. This can be industry partner, airline, airline executive, politician, consumer opinion leaders or distribution agent

Stimulate through influencers, remove impediments to growth (Visas etc), create market segmentation, building high value markets, develop market structure

Need to stand out from the crowd



As opposed to hiding in the detail

In Guangzhou there was previously limited promotion as less capacity available to potential customers

2009年黄金周旅行社 广东第一 广州用户满意度调查第一名 全国十佳旅行社集团 广东唯一全国十大入境旅游目的地 61年中国品牌 61年诚信经营

斥资数千万 包机包船 直达世界

11月21日 春节抢鲜大热卖 时间: 11月21日 13:00-17:00 地点: 中国大酒店右厅

特价专区	双重抽奖	半价风暴	买一送一	高额优惠	免费升舱	早教互动
中山长隆游1天 88元 广州一日游 98元 佛山一日游 99元 佛山一日游 99元	现场抽免费游深圳大南山 抽幸运金条游香港等惊喜 惊喜连连, 惊喜不断!	指定景点门票半价 买400送1000元使用券 买1000送2000元使用券	凡热卖会场报名 指定线路即可获赠 惊喜券内券	现场报名参团 最高优惠 2400元	现场报名参团 有机会升舱至头等舱 名额有限先到先得	现场赠送新东方早教 亲子互动亲子体验课程 参团即送新东方早教 妈咪课程

澳洲包机

12月20日前报名澳洲春节线路即可优惠500元/人

澳洲大墨尔本7天 93322896 63341324	澳洲大墨尔本7天 12799元	澳洲大墨尔本7天 16699元	澳洲大墨尔本7天 10099元	澳洲大墨尔本7天 22099元
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包船游台湾

经典台湾邮轮假期4晚5天 香港-台北-基隆-台北-香港 4999元
香港-三亚-越南下龙湾-香港4晚5天 2799元

东南亚

曼谷4天3晚 2899元, 曼谷5天4晚 3788元, 曼谷6天5晚 4299元, 曼谷7天6晚 5199元, 曼谷8天7晚 6099元, 曼谷9天8晚 6999元, 曼谷10天9晚 7899元, 曼谷11天10晚 8799元, 曼谷12天11晚 9699元, 曼谷13天12晚 10599元, 曼谷14天13晚 11499元, 曼谷15天14晚 12399元, 曼谷16天15晚 13299元, 曼谷17天16晚 14199元, 曼谷18天17晚 15099元, 曼谷19天18晚 15999元, 曼谷20天19晚 16899元, 曼谷21天20晚 17799元, 曼谷22天21晚 18699元, 曼谷23天22晚 19599元, 曼谷24天23晚 20499元, 曼谷25天24晚 21399元, 曼谷26天25晚 22299元, 曼谷27天26晚 23199元, 曼谷28天27晚 24099元, 曼谷29天28晚 24999元, 曼谷30天29晚 25899元

东非

肯尼亚4天3晚 10999元, 肯尼亚5天4晚 11999元, 肯尼亚6天5晚 12999元, 肯尼亚7天6晚 13999元, 肯尼亚8天7晚 14999元, 肯尼亚9天8晚 15999元, 肯尼亚10天9晚 16999元, 肯尼亚11天10晚 17999元, 肯尼亚12天11晚 18999元, 肯尼亚13天12晚 19999元, 肯尼亚14天13晚 20999元, 肯尼亚15天14晚 21999元, 肯尼亚16天15晚 22999元, 肯尼亚17天16晚 23999元, 肯尼亚18天17晚 24999元, 肯尼亚19天18晚 25999元, 肯尼亚20天19晚 26999元, 肯尼亚21天20晚 27999元, 肯尼亚22天21晚 28999元, 肯尼亚23天22晚 29999元, 肯尼亚24天23晚 30999元, 肯尼亚25天24晚 31999元, 肯尼亚26天25晚 32999元, 肯尼亚27天26晚 33999元, 肯尼亚28天27晚 34999元, 肯尼亚29天28晚 35999元, 肯尼亚30天29晚 36999元

国家旅游局最新公布 "2009年全国十佳旅行社集团, 全国出境旅游十佳旅行社" 排名中广之旅再次双双名列广东第一

无忧假期 二人起行

广州直飞马尔代夫

致胜岛 4天3晚 14399元	椰子岛 4天3晚 8399元
明月岛 4天3晚 10899元	金多玛岛 4天3晚 8399元
天堂岛 4天3晚 7699元	白金岛 4天3晚 8199元

东南亚

曼谷4天3晚 2499元, 曼谷5天4晚 2799元, 曼谷6天5晚 2699元, 曼谷7天6晚 3369元, 曼谷8天7晚 3099元, 曼谷9天8晚 3599元, 曼谷10天9晚 4099元, 曼谷11天10晚 4599元, 曼谷12天11晚 5099元, 曼谷13天12晚 5599元, 曼谷14天13晚 6099元, 曼谷15天14晚 6599元, 曼谷16天15晚 7099元, 曼谷17天16晚 7599元, 曼谷18天17晚 8099元, 曼谷19天18晚 8599元, 曼谷20天19晚 9099元, 曼谷21天20晚 9599元, 曼谷22天21晚 10099元, 曼谷23天22晚 10599元, 曼谷24天23晚 11099元, 曼谷25天24晚 11599元, 曼谷26天25晚 12099元, 曼谷27天26晚 12599元, 曼谷28天27晚 13099元, 曼谷29天28晚 13599元, 曼谷30天29晚 14099元

巴厘岛

巴厘岛4天3晚 4799元, 巴厘岛5天4晚 5099元, 巴厘岛6天5晚 5399元, 巴厘岛7天6晚 5699元, 巴厘岛8天7晚 5999元, 巴厘岛9天8晚 6299元, 巴厘岛10天9晚 6599元, 巴厘岛11天10晚 6899元, 巴厘岛12天11晚 7199元, 巴厘岛13天12晚 7499元, 巴厘岛14天13晚 7799元, 巴厘岛15天14晚 8099元, 巴厘岛16天15晚 8399元, 巴厘岛17天16晚 8699元, 巴厘岛18天17晚 8999元, 巴厘岛19天18晚 9299元, 巴厘岛20天19晚 9599元, 巴厘岛21天20晚 9899元, 巴厘岛22天21晚 10199元, 巴厘岛23天22晚 10499元, 巴厘岛24天23晚 10799元, 巴厘岛25天24晚 11099元, 巴厘岛26天25晚 11399元, 巴厘岛27天26晚 11699元, 巴厘岛28天27晚 11999元, 巴厘岛29天28晚 12299元, 巴厘岛30天29晚 12599元

To create greater awareness

Guangzhou Daily Travel session: 4th Jan 2011

六之龍 CGZL

飞越南半球 拥抱另一个夏天

1月10日前报名春节团队最高优惠800元/人

纯玩-新西兰南北岛100%纯净之旅 21989

精品-新西兰南岛冰河湖奇景 21989

经典-澳洲大堡礁新西兰北岛精华 22989

探索大自然 尘世美 塔斯曼尼亚 Tasmania

春节礼包 香港直飞布里斯班 大手笔打造 广州直飞大堡礁

经典-澳洲大堡礁 缤纷炫彩6天/全景8天 20989

经典-澳洲大堡礁新西兰北岛精华 22989

浪漫塞济海岛度假之旅 13989

经典-澳洲大堡礁新西兰南北岛全赏 21989

澳洲大堡礁6天 13989

经典-澳洲大堡礁缤纷炫彩8天 13389

澳洲大堡礁新西兰北岛精华12天 19389

经典-澳洲新西兰北岛精华10天 16689

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全市门店国内游贺岁热卖

北京 东北 华东 桂林 海南 高铁 出境

北京 4099, 2399, 2099, 2999

东北 1499, 4699, 4999, 5299, 2999

华东 1499, 2499, 2999

桂林 769

海南 999

高铁 999, 799

出境 1199, 1199, 1499, 1799

东南业 7499, 4299, 1699, 5999, 5999

邮轮 3399

澳洲 19999

非洲 24999, 6220, 10999, 11699

广州日报 游生活 广告

GZL & AIAL JV adverts about CNY and high season products

To further develop greater connections and more capacity



经典-新西兰南北岛100%纯净之旅8天

- 特别安排: “企鹅镇”--奥玛鲁观蓝眼小企鹅;
- 美食赏不停: 世界十大美景餐厅--皇后镇山顶海鲜自助餐、奥克兰三文鱼刺身、罗托鲁瓦鹿膳餐;
- 绝美皇后镇、毛利文化村、纽式爱歌顿农庄等经典景点一网打尽!

广州往返 5月1日出发 **13989** 元

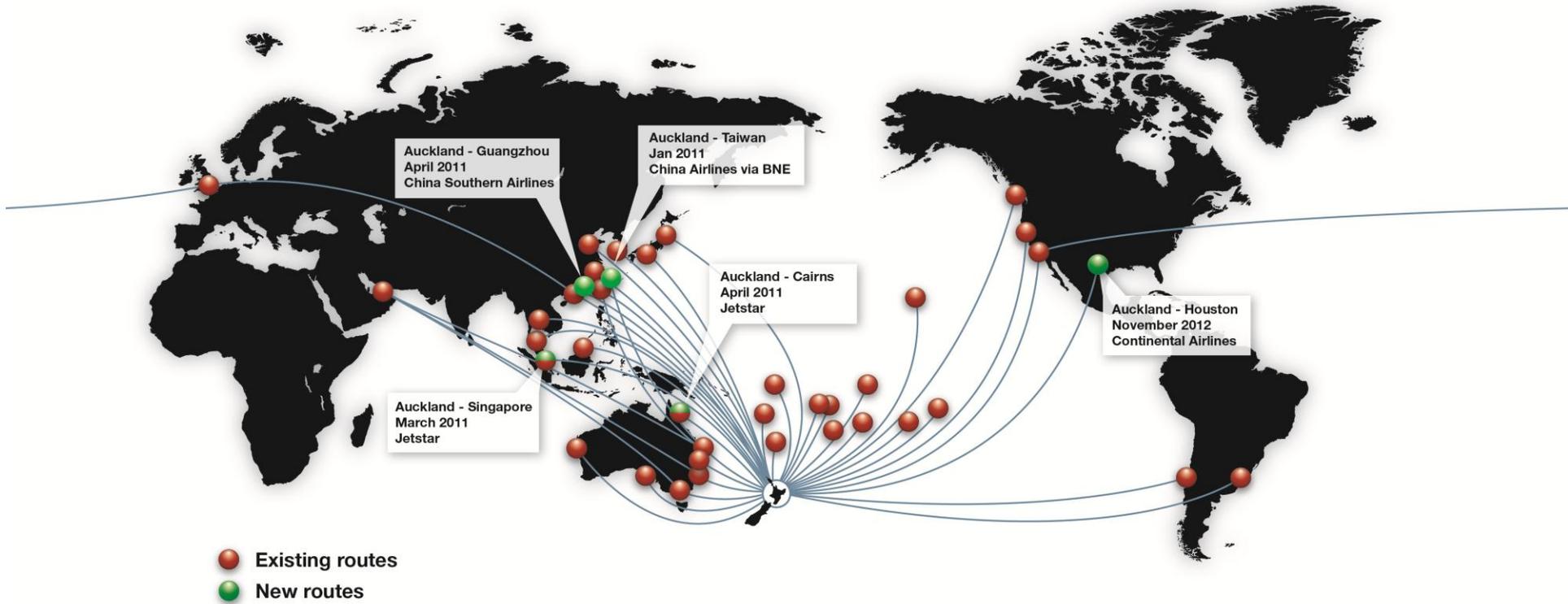
经典-澳洲(大堡礁)新西兰北岛欢乐10天/精华12天/南北岛全赏14天

- 遍游澳洲、新西兰各大经典之地, 赏尽南半球绝美秋色■12天加游绿岛大堡礁, 14天加游新西兰南岛。

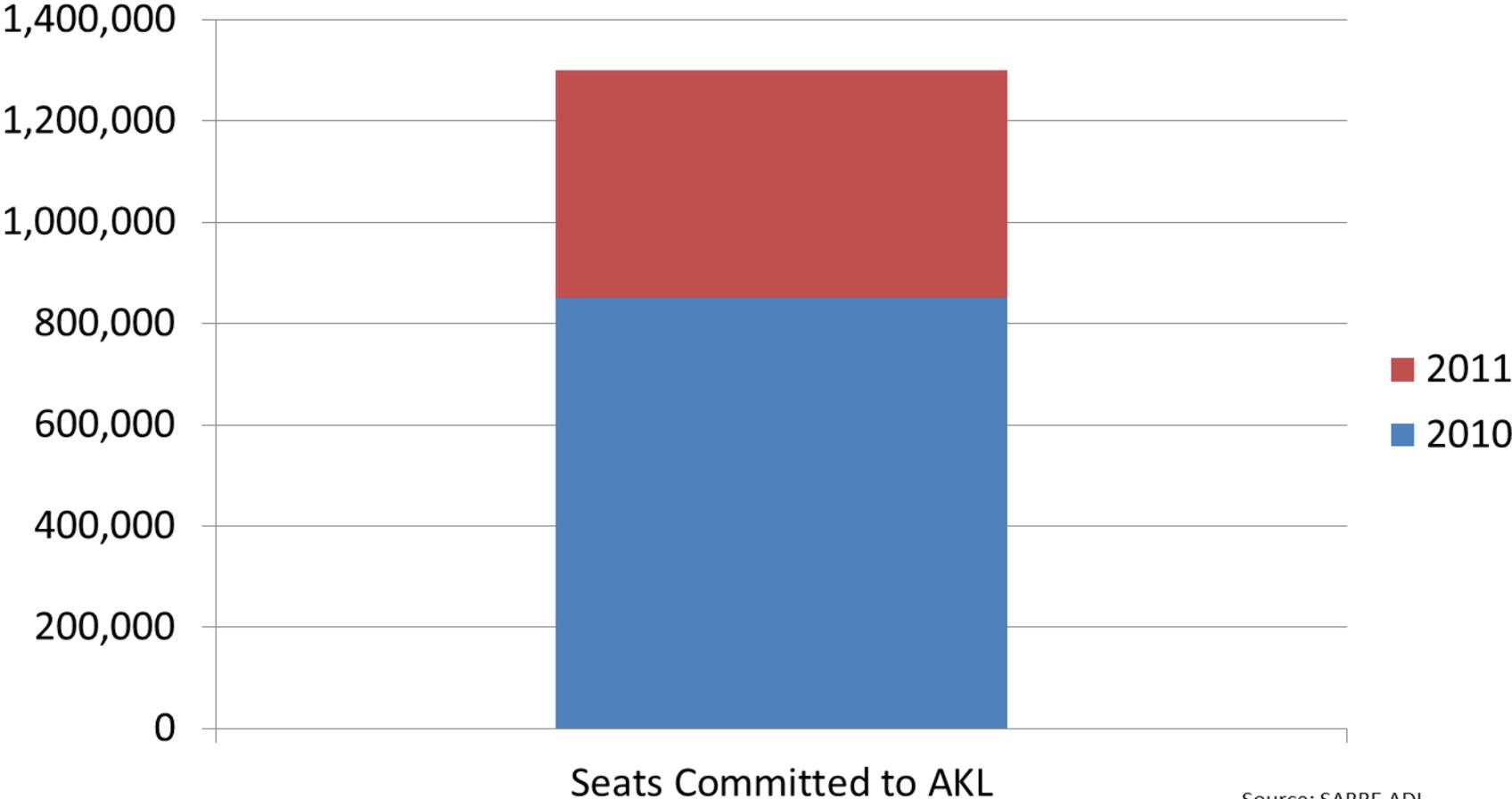
10天: 4月15、22、29日, 5月6、13、20、27日
 12天: 4月13、20、27日, 5月4、9、16、23、30日
 广州往返: 4月14、29日, 5月6、13、20、27日
 14天: 4月15、22日 5月6、13、20、27日

10天 最低价 **16389** 元

We are connected well to the World



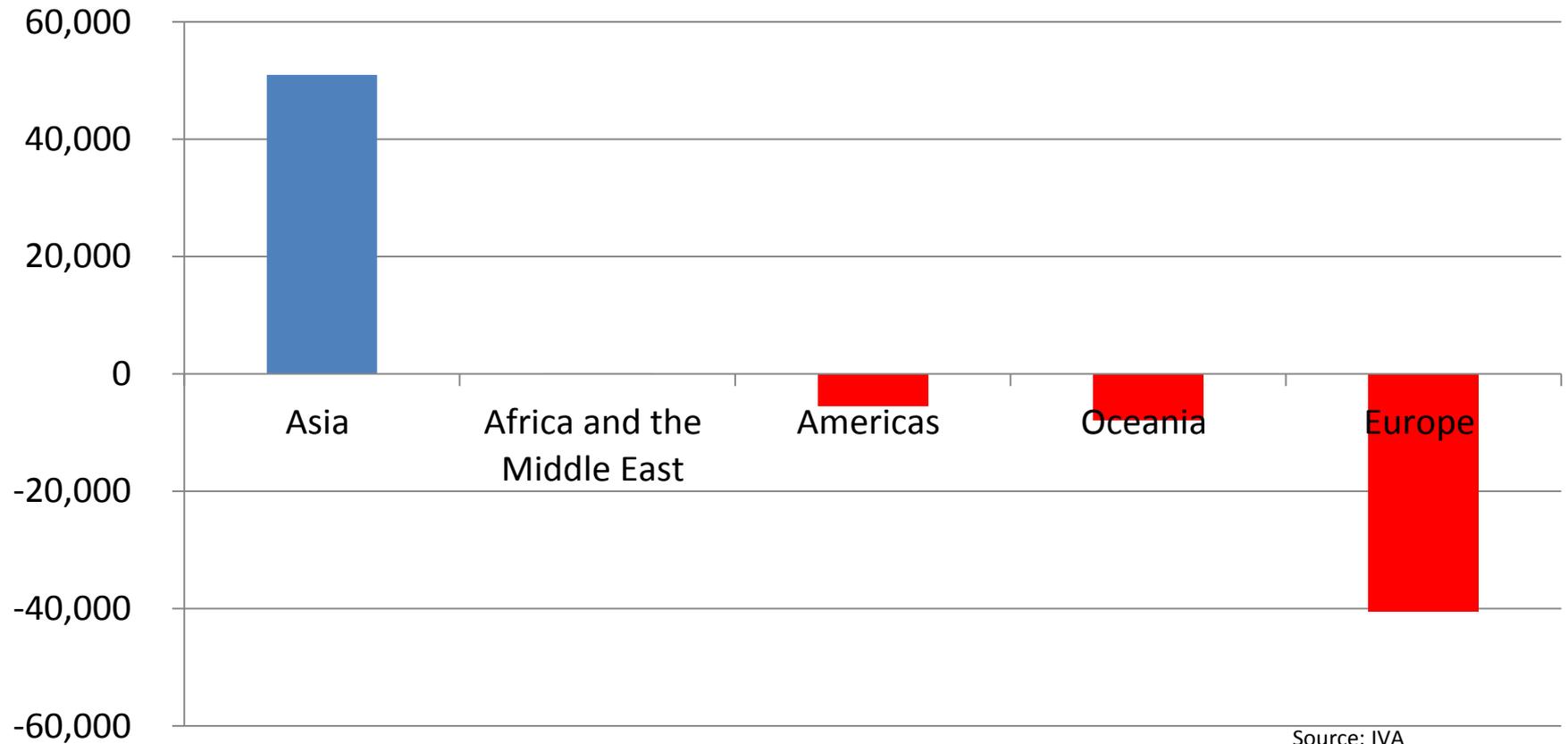
And we have gained commitments for in excess of 1.3m international seats in the last 2 years



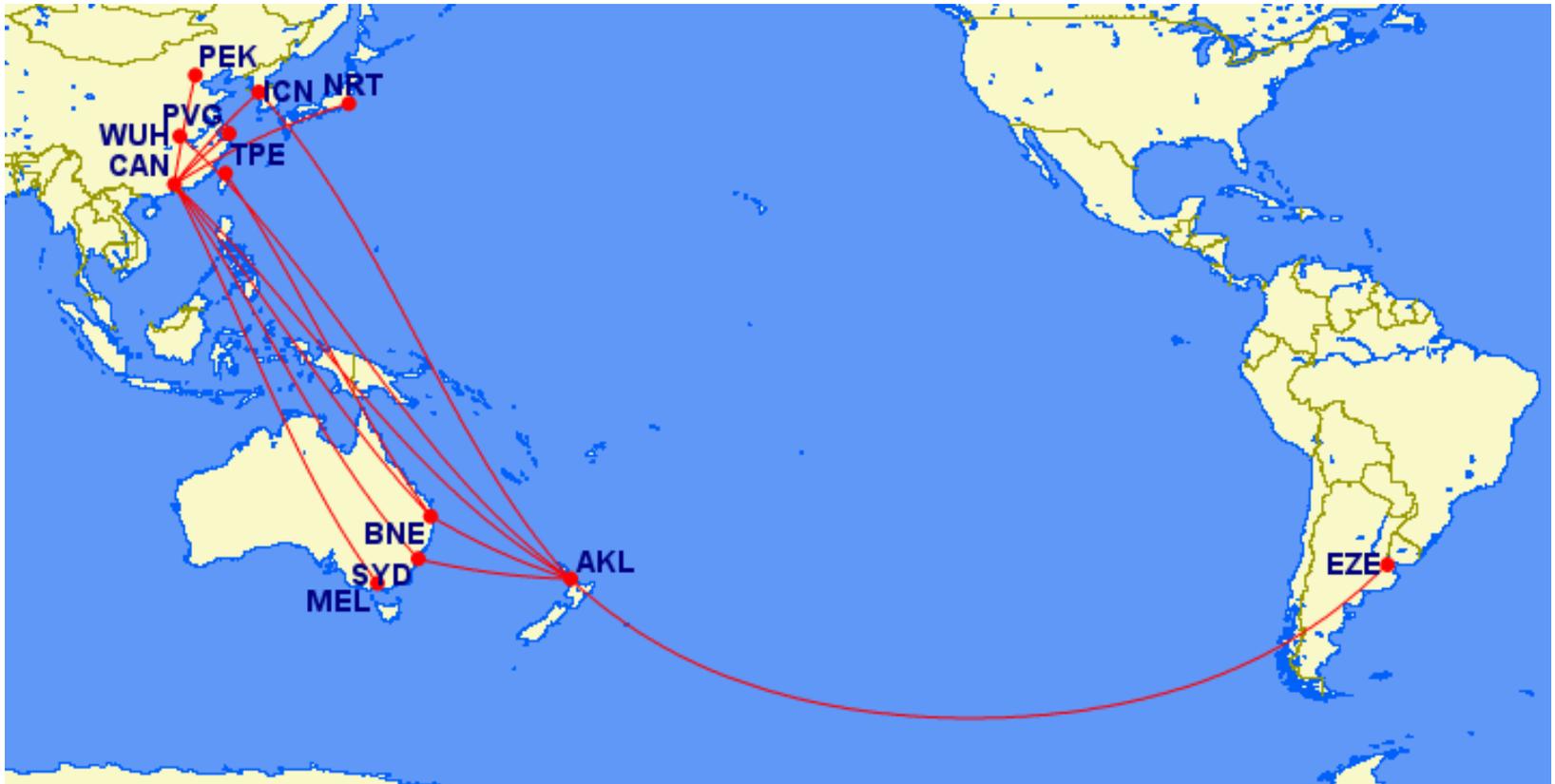
Source: SABRE ADI

Asia is NZ Tourism's growth engine

NZ Arrivals Growth as at YE March 2011



Building alliances can stimulate markets



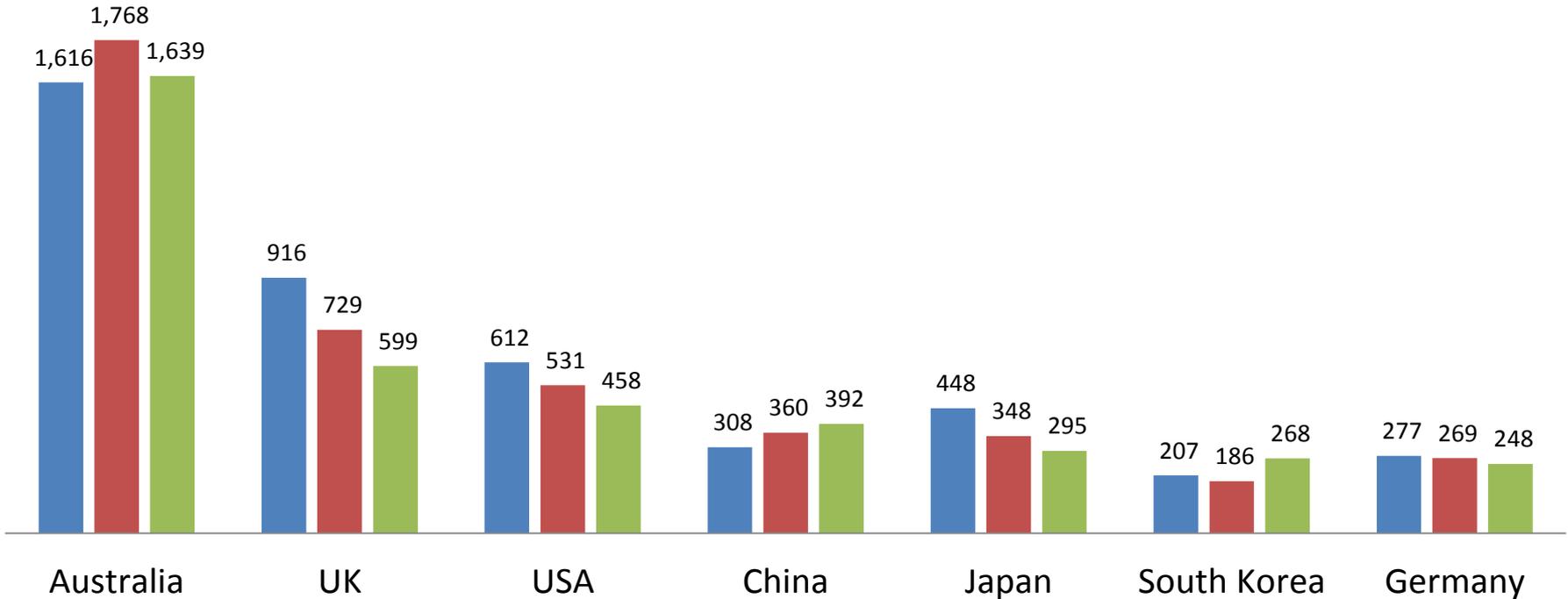
Recognising a problem when you see one



Our leading value growth markets are Korea and China

Markets by Tourism Export Value NZD Million

■ YE March 09 ■ YE March 10 ■ YE March 11



Source: IVS

However, we need to change to get parity with Australian industry value

Tourism Expenditure Value NZ v Aus YE Dec 2010

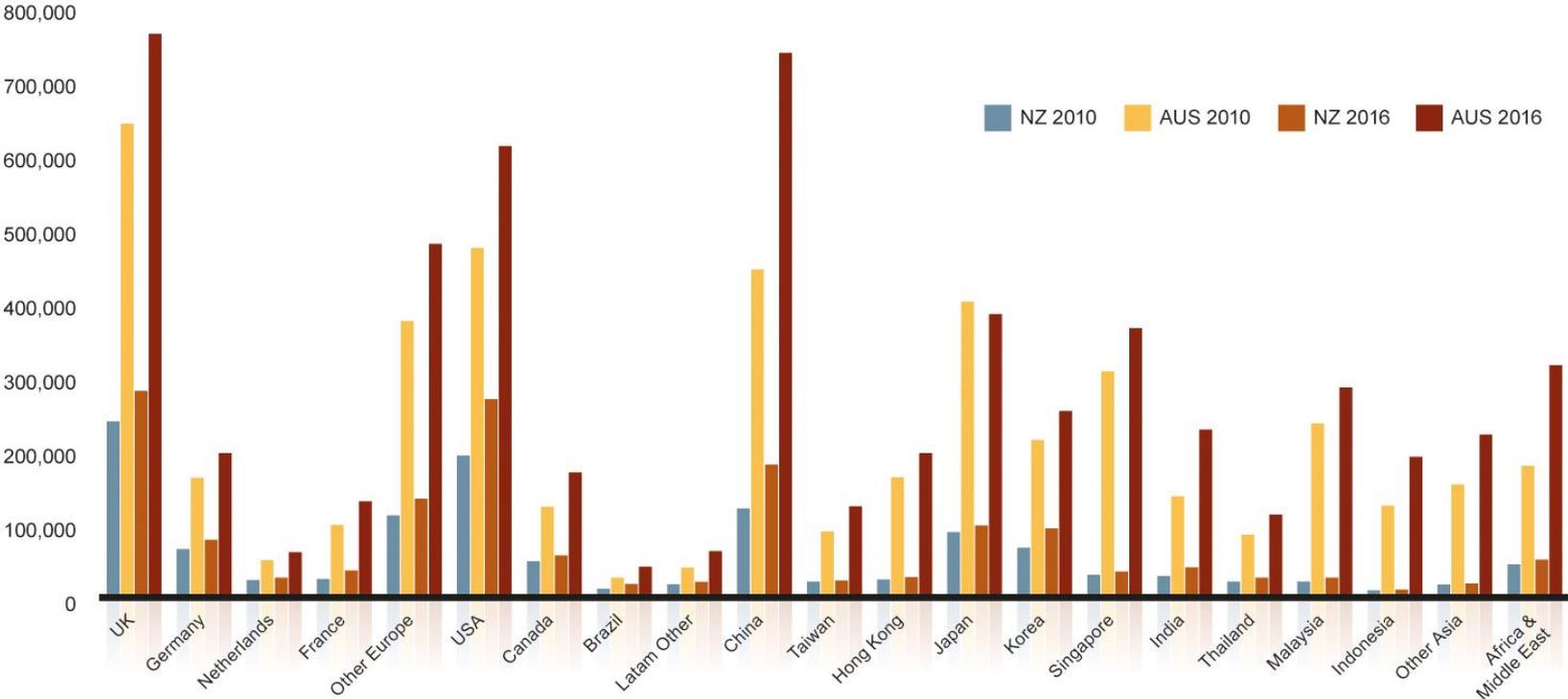
■ AUS NZD YE Dec 10 ■ NZ NZD YE Dec 11



Source: IVS, Tourism Australia

Completing with Australia – International Arrival Forecasts

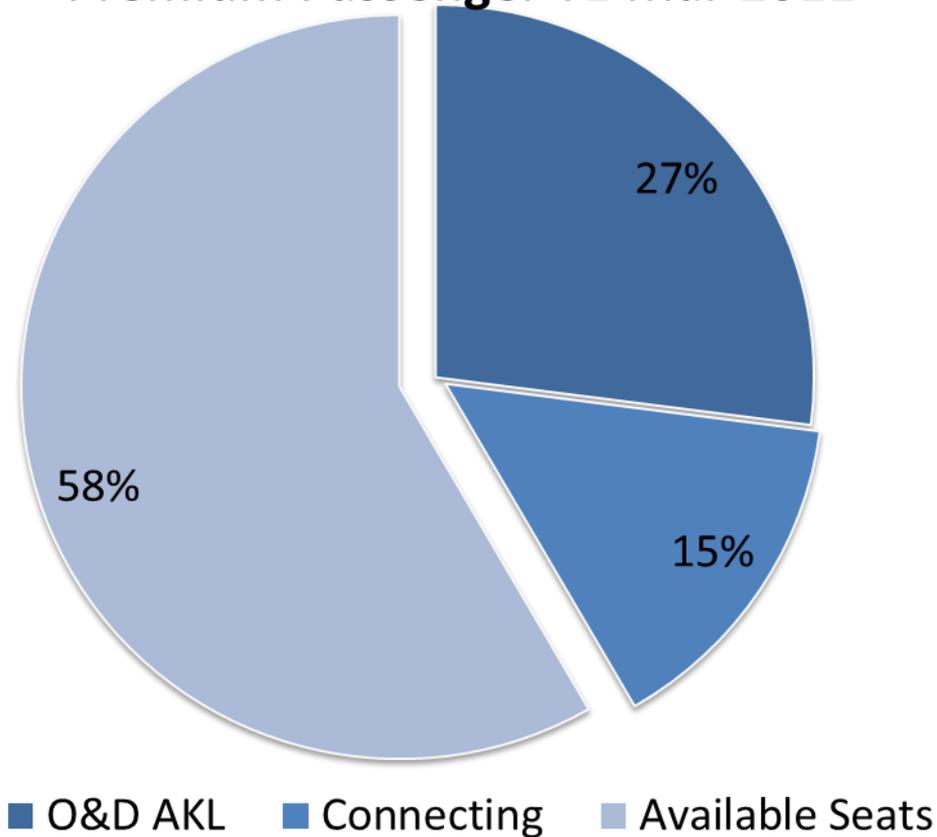
Competing with Australia – Ambition



Source: Tourism NZ, Tourism Australia

Auckland's existing First & Business Class demand generates a 42% loading in Premium seats

Premium Passenger YE Mar 2011

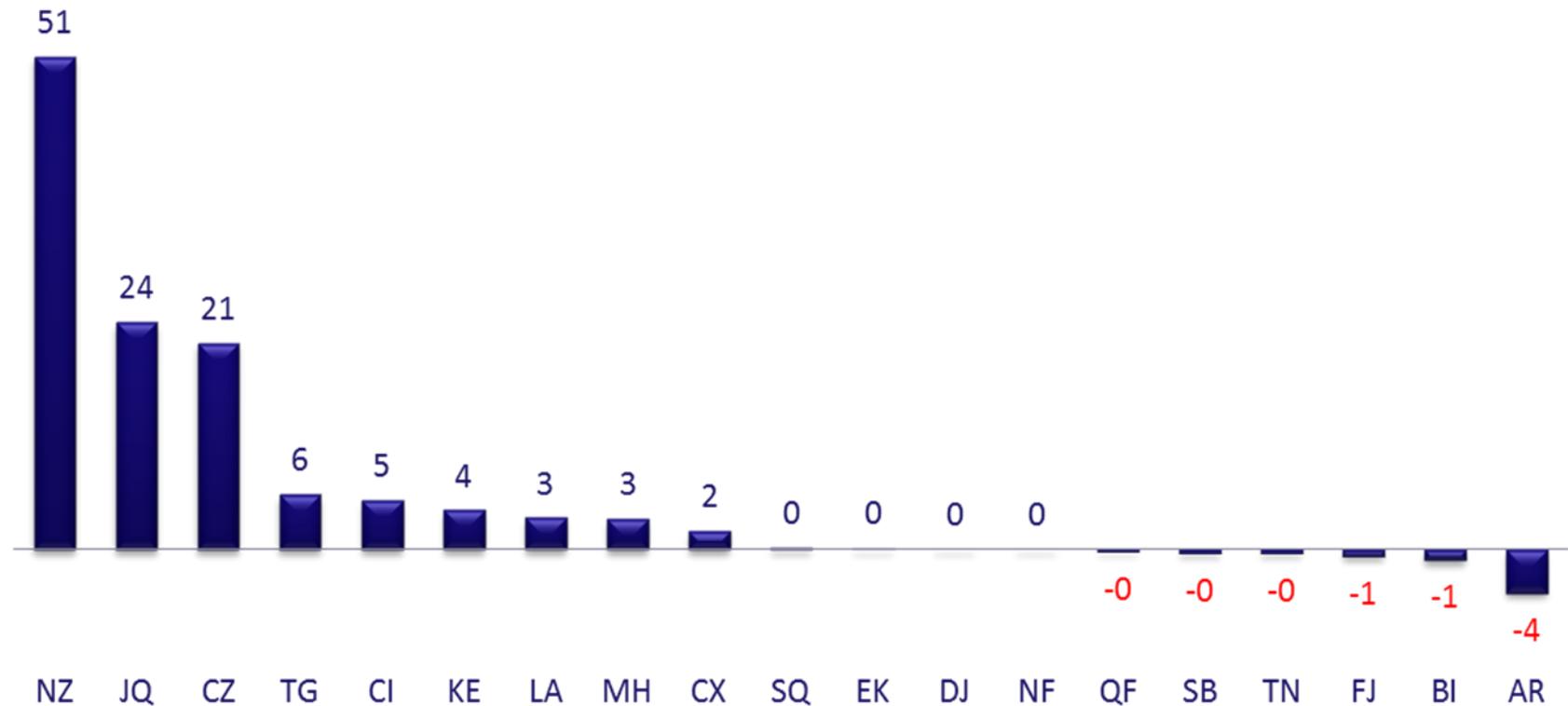


Source: SABRE, PAC

Over the coming year, premium seats at AKL are expected to rise by 113k, or 11%

CHANGE IN PREMIUM SEATS AT AUCKLAND AIRPORT - YE APRIL 2012 VS YE APRIL 2011

Change in thousands of premium seats

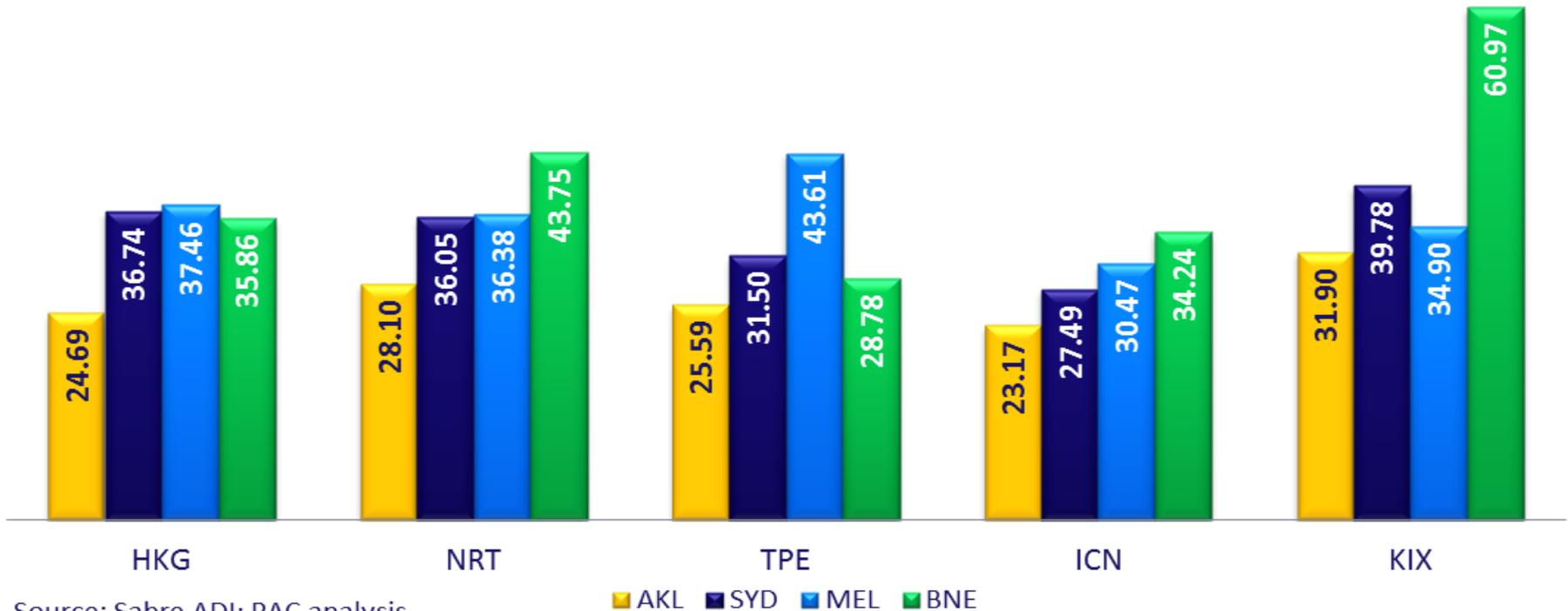


Source: Sabre ADI; OAG; PAC analysis

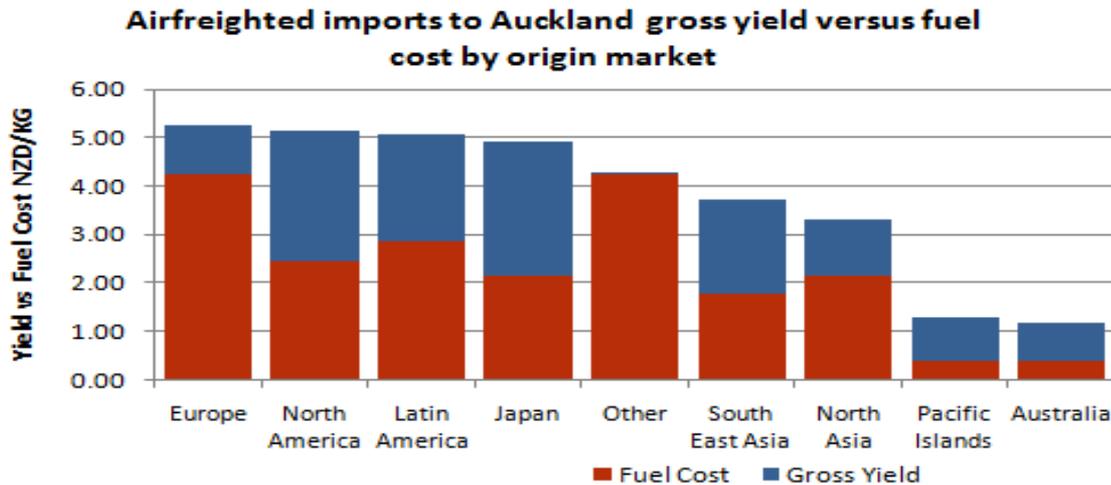
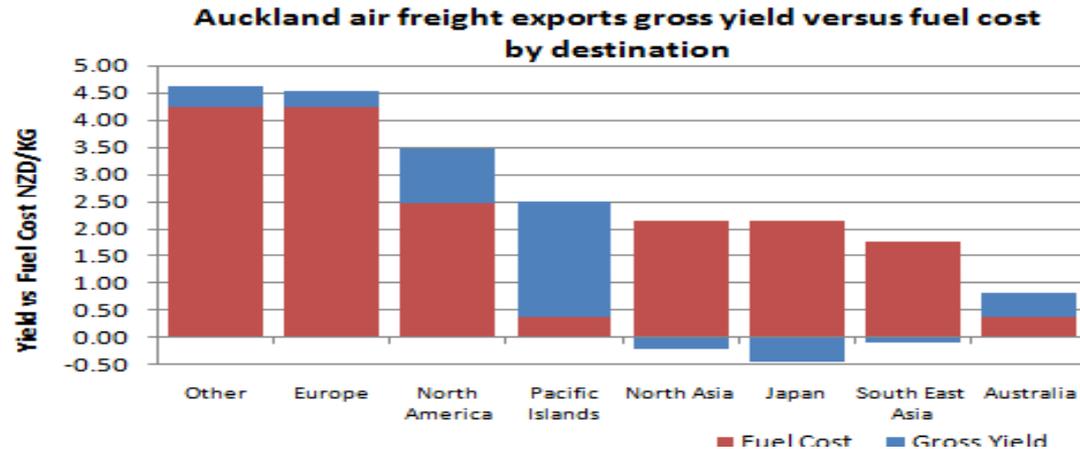
Premium Cabin Yields: North East Asia (excluding Mainland China)

NORTH EAST ASIA FIRST & BUSINESS CLASS AVERAGE YIELDS - YE MARCH 2011

US cents per kilometre



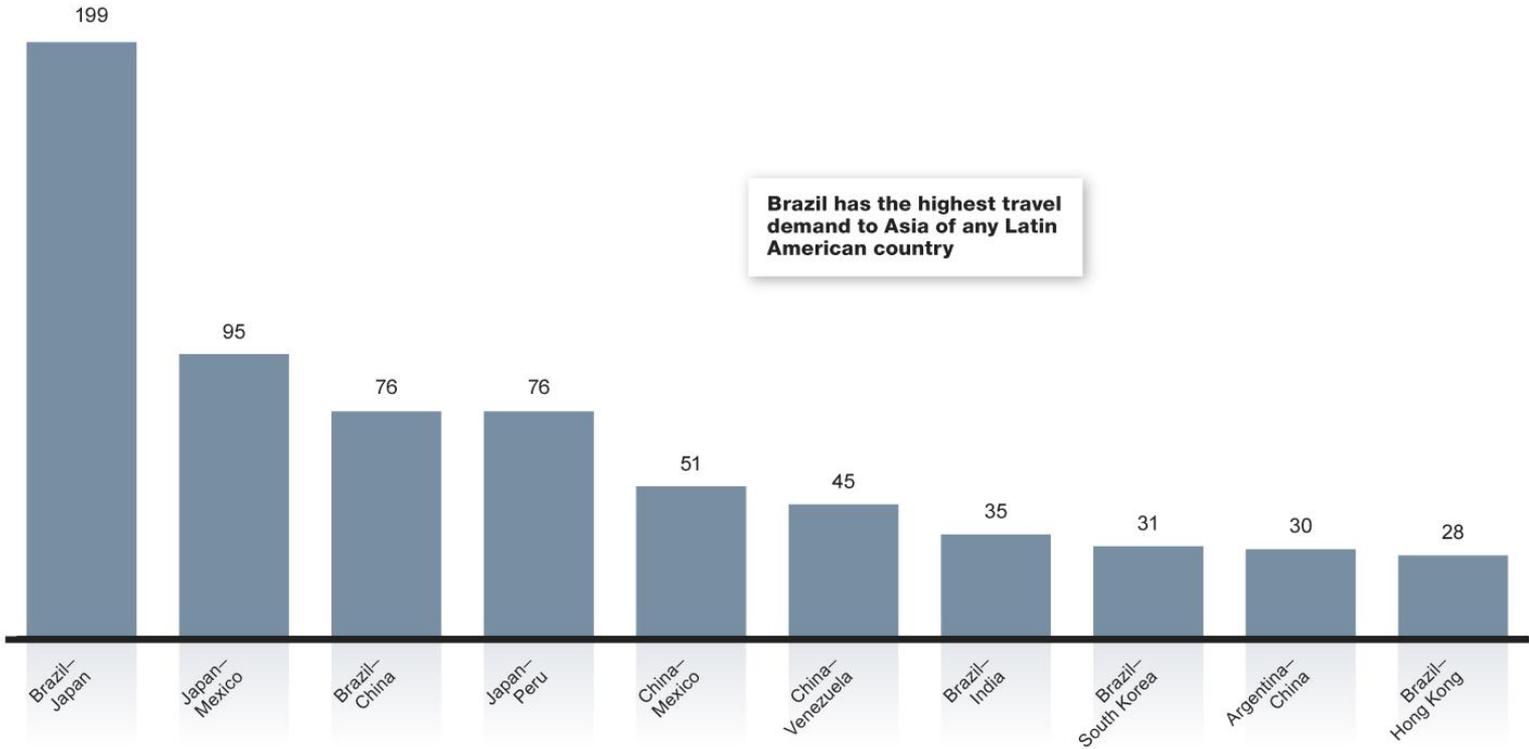
Yield is also an issue for air freight exports



Source: EAGLE I

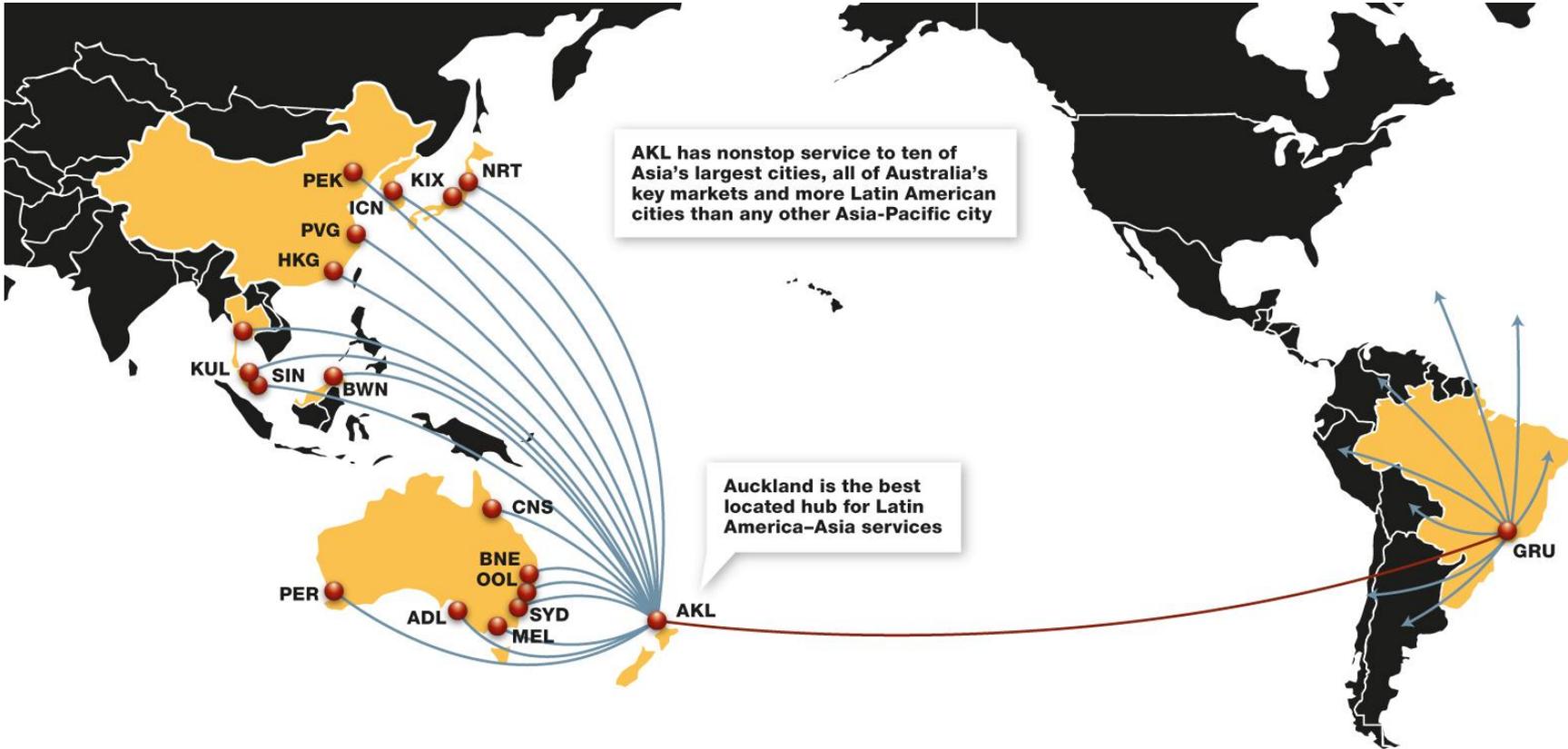
There are 1.2m O/D passengers per year between Asia & Latin America

Top 10 Asia–Latin America Origin–Destination Markets
Thousands of passengers per year; Year ending October 2009

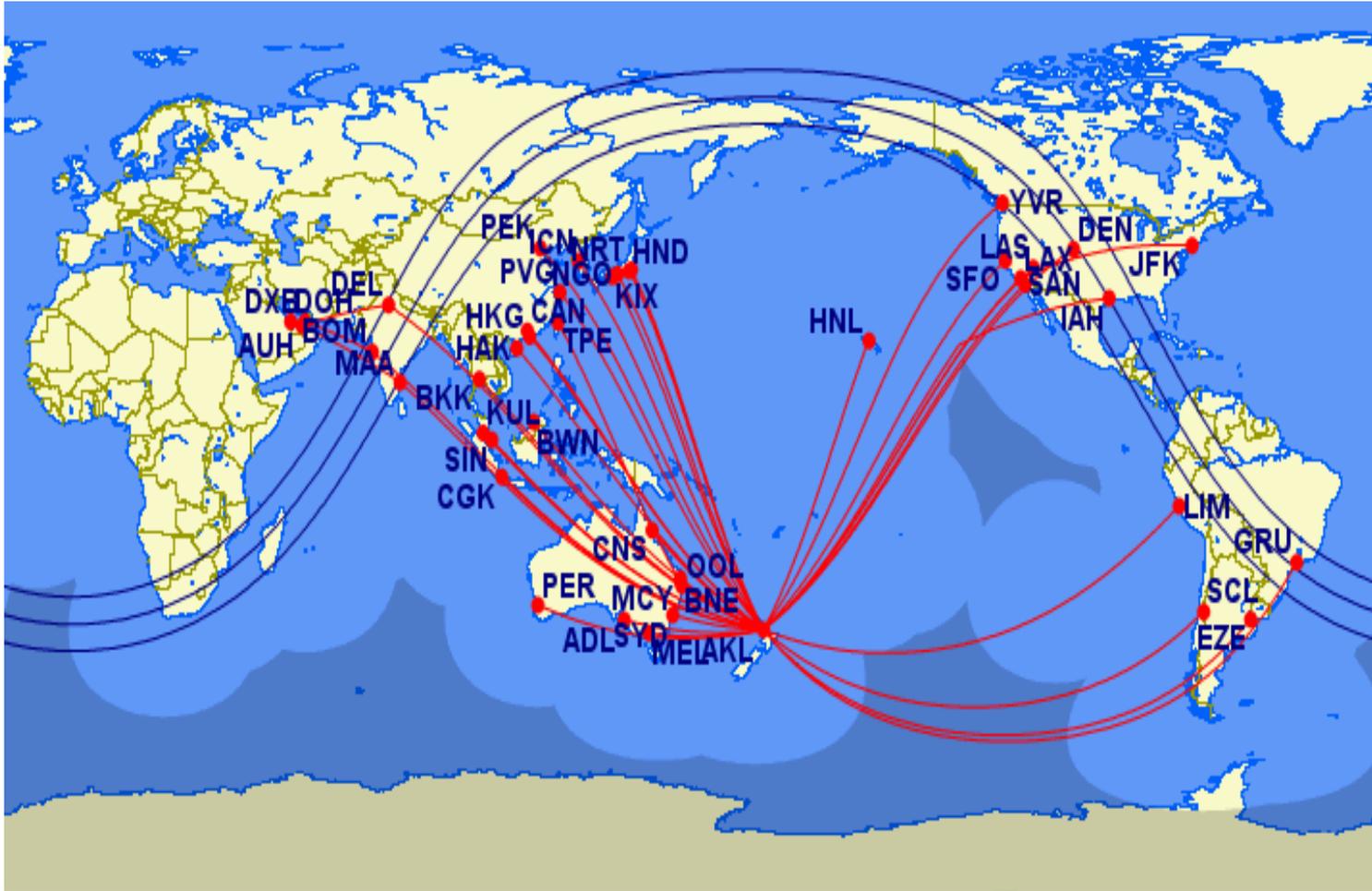


Source: Sabre ADI; PAC analysis

Auckland is ideally located to capture Latin America-Asia traffic



What could it look like?

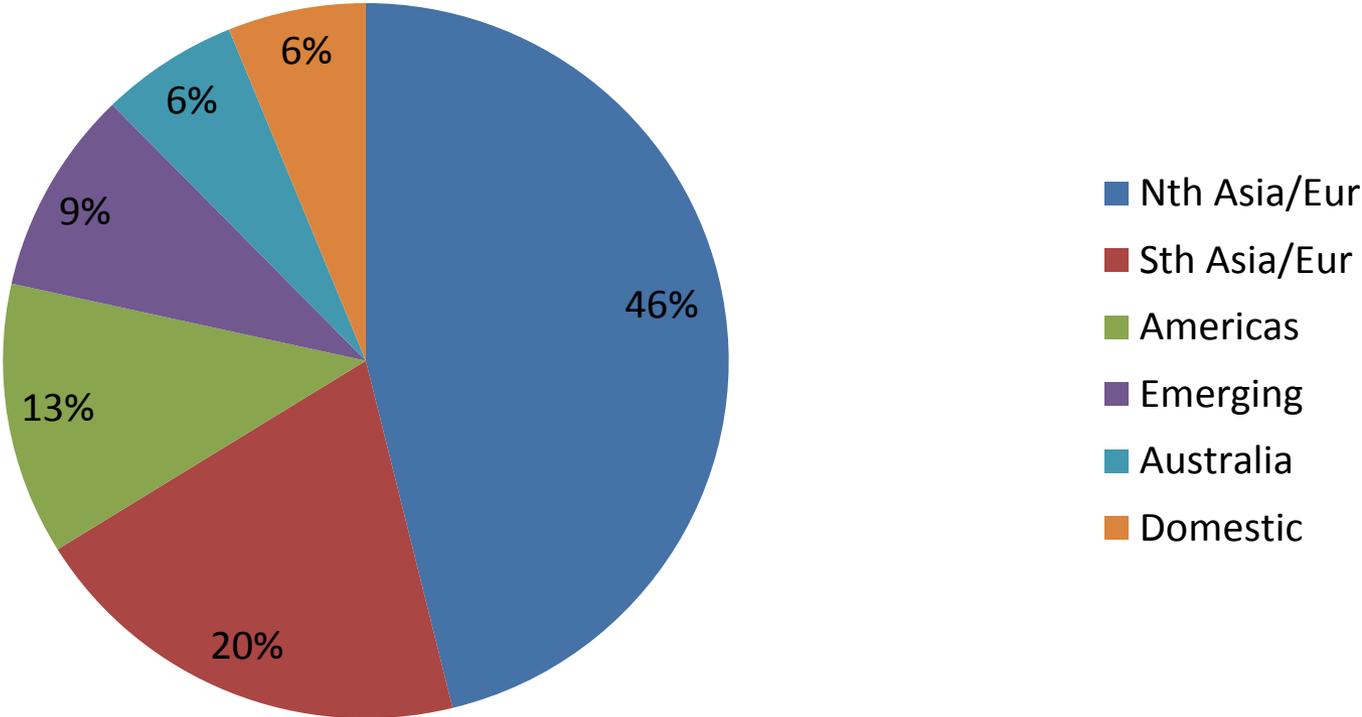


Our competitive advantage

- Seasonality opposite to northern hemisphere
- Appealing and safe destination
- Proximity to Australia
- AKL is New Zealand's hub
- Gateway Americas–Australasia
- Gateway Americas–Asia

To influence we will concentrate our marketing spend in Asia, Americas and supporting markets

Breakdown of Spend by Region FY 2011/12



Future story....

- **Easiest and most desired route for customers moving between Asia, Australasia & Americas**
- **High value passenger and freight development**
- **#1 Dynamic Capacity Development**



Our conclusions

Opportunities for market development include:

- **The fast growing markets of Asia**
- **Lifting yield on premium to lift the airline value proposition**
- **Ensure freight opportunities are maximised for overall airline profitability**
- **Remove impediments to growth (air rights, visas etc)**
- **Leverage of our physical position between Asia and South America**
- **Our ability to influence others on aligning views on the growth opportunities**

Earlier growth is high value growth. We believe our volume growth is currently more than twice the organic rate and we wish to build on our volume growth opportunities.

Questions



Auckland International Airport Limited

Investor Day
16 June 2011

*Sustaining our retail
growth trajectory*



Summary of retail business at Auckland Airport

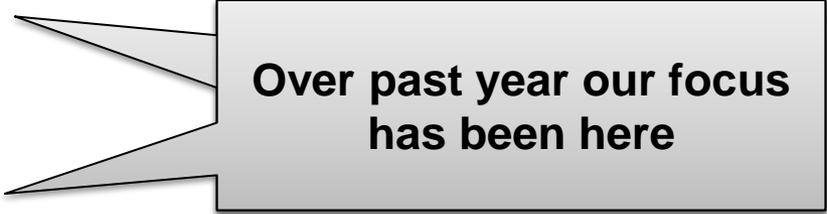


- 102 retail sites with 71 different concepts
- 35 operators
- Two full service duty free operators with total of 6 duty free stores
- 18m+ combined visits a year to our two terminals

Past year has focused on delivering ideal retail environment and reset of commercial & operational foundation

Retail Strategy shared in May 2010

- 1** Deliver a high quality retail experience
- 2** Set strong operational & commercial foundations
- 3** Adopt whole of airport approach to drive retail performance
- 4** Apply our scale to support retailer performance



Over past year our focus has been here



Focus now shifts to constant fine tuning of relatively stable environment

Deliver a high quality retail experience



- Unique, award winning retail environment
- Strong sense of 'NZ' in common area and retailer selection
- Outcome held true to retail strategy set at start
- Opportunities remain for regular retail change out to maintain shopper engagement
- Now in fine tuning mode to improve propensity to shop and dwell time

1



Set strong operational & commercial foundation

2



- Refreshed retail mix during redevelopment
- Exit of 21 year old HMSHost/AIAL JV
- Driven retailer consolidation to build local scale and capability
- Reset of 60% of all ITB retailer commercial terms – retained excellent upside exposure with strong downside protection
- Invested in new tenant management tools and resources

Apply our scale to support retailer performance

4

Exclusive Auckland Airport shopping deals for Chinese New Year

恭賀新禧

SAVE \$8 when you spend over \$888

DUTY FREE: Get **15% off** when you buy any two Flamy Martin XO Flamy Martin XO Escentials. Offer valid from Feb 1st 194. Flamy Martin XO Premium. Offer valid from Feb 1st 2018.

DUTY FREE: Save **\$8** when you spend over \$888

Bonus bag when you spend over \$99 on any Johnnie Walker product

Free eco-bag when you spend over \$50

10% off all food (excluding alcohol)

Free Icebreaker reversible beanie when you spend \$200 or above (while stocks last)

Whitcoulls: Spend \$20 in-store and go in the draw to win!

40% off second pair of sunglasses purchased*

65% off Kiehl's Omega 3 or Evening Primrose oil

40% off Kiehl's skin care range (selected product only)

35% off Manuka Health Royal Jelly caps

25% off mentro placenta serum with gold flak

Happy Chinese New Year and safe travels from Auckland Airport.

Auckland Airport

Smaller country, smaller prices.

ABSOLUT VODKA

Grab 'n' GO Super Deals

Don't miss out on super deals like these!

Walmart, KFC, McDonald's, Subway, Costa Coffee, Dairy Queen, The Warehouse, New World, Countdown, Supermarket, A Auckland Airport

DUTY FREE

JR/DUTY FREE

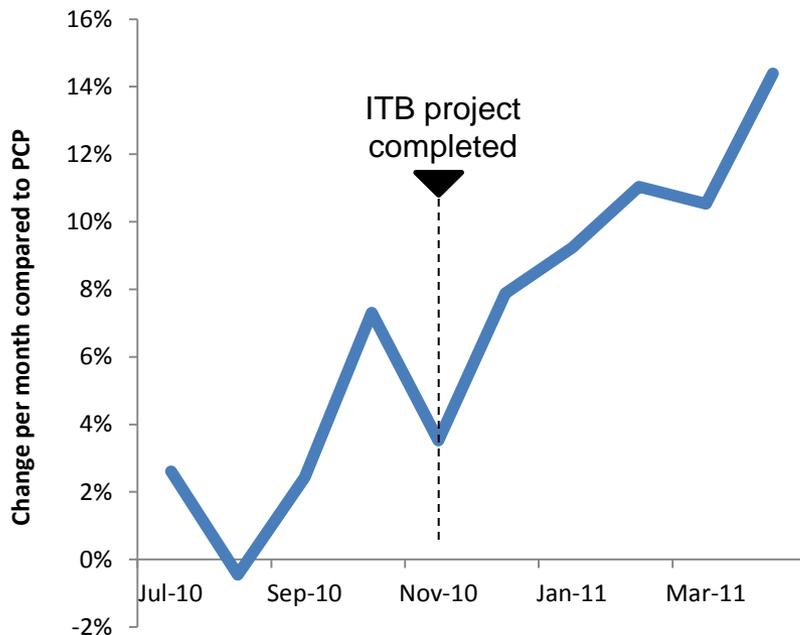
奧克蘭機場對攜帶免稅物品的限量在世界上是最寬鬆的。

奧克蘭國際機場

- Lifting marketing performance – increasingly targeting Chinese/Australians
- Strong operational audit programme in place resulting in improved retailing standards
- Continuing retail operational and sales training – focusing now on Asian market
- High retailer engagement in support programme

Retail performance showing significant improvement despite on-going redevelopment

**MoM Total ITB Retail Sales
% Change (excl FX)**



- Recent and consistent improvement in sales suggests new retail environment is working
- While FX rate changes may support lift in sales, relative stronger performance of departures vs arrivals shopping supports our view on impact of redevelopment
- Income up 12.9% in six months to December 2010 – we will surpass FY11 aspirational target of \$105m (FY10:\$95m)

Summary of parking business at Auckland Airport



Car park product offering at Auckland Airport

International Terminal	Domestic Terminal	Park & Ride
Proximate short-term and long-term parking options	Multi-level car park with direct connectivity into terminal	Opened December 2008
2,928 public parking bays,	2,345 public bays	650 parking bays
Covered and uncovered parking	Covered and uncovered parking	Prominent location, 24/7 shuttle with GPS, high security
In addition, there are 2,330 staff car parks across domestic and international terminals which can be leveraged for customer parking at peak times.		

Parking business has been transformed to yield management model

-  **CHOOSE**
A TIME & PARK TO
SUIT YOUR NEEDS
-  **PAY**
SECURELY ONLINE
VIA CREDIT CARD
-  **PARK**
IN A SECURE &
GUARANTEED SPACE

- Capability upgrade combined with new online booking tool enabled launch of dynamic product and price management in May 10
- Adopted best of breed hosted model rather than customised solution – helped speed to market
- Can create new (virtual) products in days and manage supply/demand in real time



ENTER TRAVEL DATES HERE 

TO VIEW A RANGE OF PARKING OPTIONS AND PRICES.

ENTER YOUR TRIP DETAILS

Carpark Entry Date
13 Jun 2011 05:30 pm

Carpark Exit Date

Promo Code (if applicable)

International Domestic

CHECK AVAILABILITY

Park right at the terminal for up to 5 days this Easter from



\$39*

[BOOK ONLINE NOW](#)



Growth since launch has outstripped passenger growth

- Significant growth in target segments/products over prior year:

- Long term volumes +26%

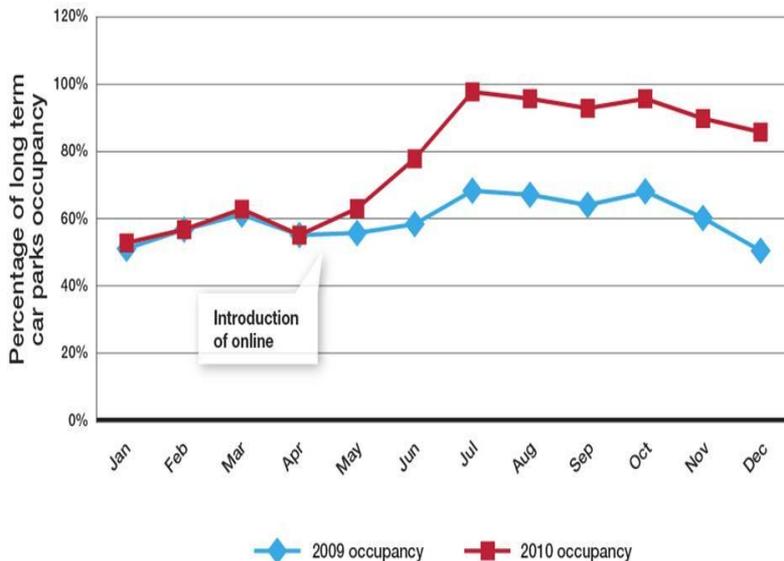
- Business Express occupancy +85% with limited product cannibalisation for travel of 1 day+

- ~20%+ of total transactions from online booking (excluding meters/farewellers)

- New virtual product capability allowing much greater utilisation across asset base lifting returns per parking bay

- Revenue growth of 7.6% in six months to Dec 2010 and growth has continued

International long term car parks occupancy



Focus will be maximising potential of new yield model



Come back to a clean car.

Express Wash from **\$13**

Visit the kiosk on level 1, let us know your registration number, where you're parked and we'll take care of the rest.





The car from this spot is being looked after by the Car Cleaning Company

Visit our kiosk on level 1 to find out more



Enjoy our squeaky clean guarantee

- Continue to improve product:
 - Adding new/repurposing existing capacity to service higher demand from public and local staff
 - Improve quality of physical parking product
 - Improving online tool and back-end capability to improve sales options
 - Launch new adjacent products e.g. car grooming
- Further sharpen marketing sophistication
- Develop better channels to market

Questions



Auckland International Airport Limited

Investor Day
16 June 2011

Property momentum



Canals, railroads and highways have, channelling the flow of the traffic, created urban alignments, hinterlands and nodal points. Now air transportation promises to become a vital factor

- Edward JT 1956



THE TERMINAL CITY
THE GREATEST CIVIC DEVELOPMENT EVER UNDERTAKEN—INCIDENT TO THE
NEW GRAND CENTRAL TERMINAL IN NEW YORK CITY, WHICH WILL BE
OPENED FEBRUARY, 1913

This vast undertaking comprehends the erection of a great Terminal City, a city within a city, occupying an area of thirty blocks, in New York City.

It will embrace hotels and modern apartment houses, convention and exhibition halls, clubs and restaurants, and department stores and specialty shops. In short, practically every sort of structure or enterprise incident to the modern city.

These features are all in addition to post office, express buildings and other natural adjuncts of the up-to-date terminal—to expeditiously handle diverse traffic.

All these structures will be erected over the tracks about the terminal itself, while a plaza will surround the Terminal building, reached on the North and South by a new Boulevard, hiding all trace of the railroad yard.

**THE NEWLY COMPLETED
GRAND CENTRAL TERMINAL**

Will provide every detail essential to the comfort and convenience of its patrons. The Terminal itself is the physical embodiment of the latest and the highest ideal of service. Its adequate description is impossible here. It must be seen to be fully appreciated—or indeed to be completely comprehended.

The Main Terminal alone is 722 feet long and 804 feet wide on the surface, and half again as wide below the street level. It will accommodate comfortably 80,000 people at one time.

Through and suburban service occupy different levels approached by inclines, avoiding stairways, so that each level may be reached without confusion. Incoming and outgoing traffic is segregated and the two currents of travel separated. Every facility is progressively arranged so that no step need be retraced, no time lost.

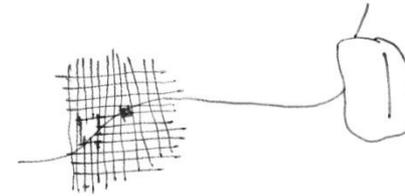
There are 42 tracks for through travel and 22 tracks for local trains, 33 miles in all, within the Terminal, accommodating over 1000 cars at one time. Dedicated to the Public Service, February, 1913.



Development of Airports and Cities

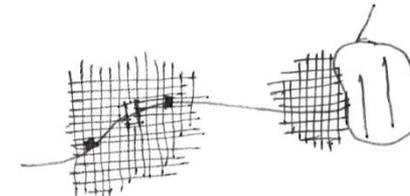
1950's – Airport

Airport remote from City



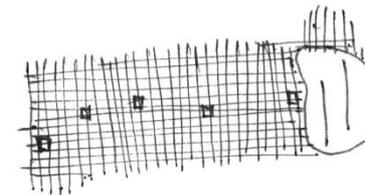
1970's – Airport City

Airport remote from City but self contained, City grows towards Airport



Today – Airport Corridor & Aerotropolis

Airport with many of the activities of a centre or suburban business district, but integrated into City to maximise the economic value of the Airport to the City



Auckland Airport Business District



- **Flexibility**
- **Security**
- **Amenity**

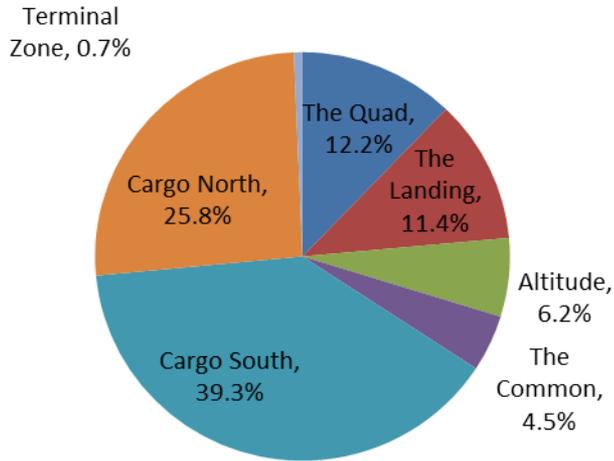
Market Summary

Market	Stock	Vacancy	Absorption Forecast pa	Rents	Cap rates	Ave Value \$/m2
CBD Office	1,369,736	13.8%	22,158	\$224	9.43%	\$2,375
Non CBD Office	1,531,202	13.2%	27,211	\$221	8.83%	\$2,503
Warehouse	11,280,768	4.5%	232,679	\$107	8.29%	\$1,291
Retail (Sub Regional)	56,085	0.1%	-	\$973	8.67%	\$11,223
Retail (District)	132,470	0.5%	-	\$419	9.22%	\$4,544
Retail (Community)	99,380	1.9%	-	\$405	8.81%	\$4,597
Retail (Bulk Retail)	385,101	0.8%	-	\$224	8.45%	\$2,650

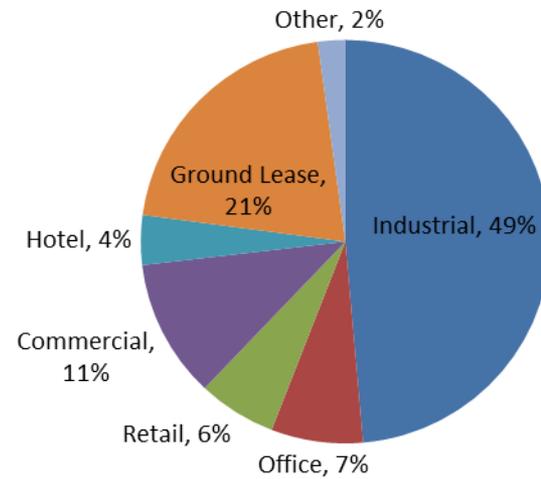
Source CBRE: AKL Property Market Outlook : June 2011 & Dec 2010

AIAL Portfolio Snap Shot

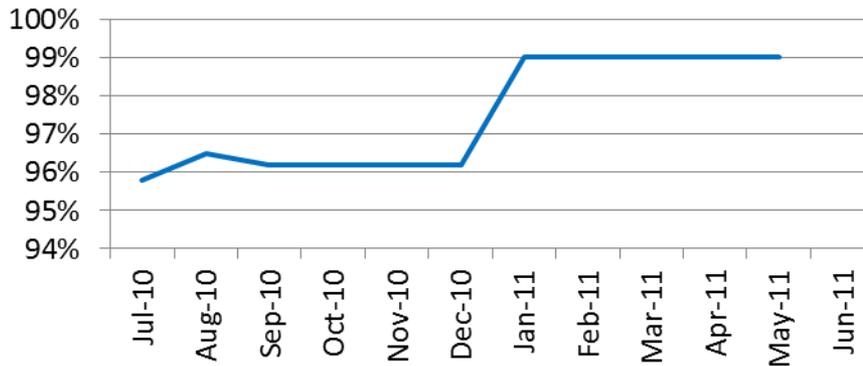
FY12 Rent Roll by Precinct



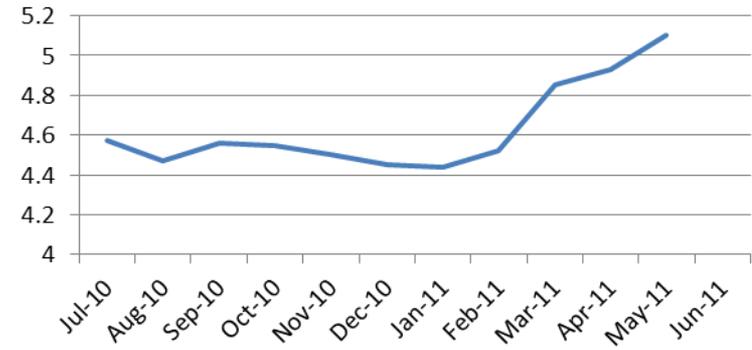
FY12 Rent Roll by Category



Occupancy FY11



WALT



Portfolio Comparison

	Occupancy	WALT	Market Cap Rate
DNZ Property	96%	4.4	8.7%
Argosy	96%	5.3	8.8%
Goodman	95%	5.5	8.1%
AMP NZ Office	92%	4.6	8.1%
Kiwi Income	97%	4.2	8.0%
PFI	99%	4.1	8.8%
Industry Ave	95%	4.9	8.6%
AIAL	99.5%	5.1	8.3%

Source FNZC: "NZ Property Play" (18 May 2011)

Portfolio Comparison

HIGH GROWTH LOCATION SINGLE LOCATION, SECTOR DIVERSITY

	Office	Industrial	Retail	Commercial	Other
DNZ Property	40%	27%	12%	21%	0%
Argosy Property	29%	35%	36%	0%	0%
Goodman Property	33%	29%	0%	25%	13%
Auckland Airport	7%	49%	6%	11%	27%

Source: Latest listed Annual Reports

Inventory for Property Development

	Size Ha	Value	\$ / m2
The Quad	13.6	14.5	107
The Landing	166.7	104.9	63
Altitude	13.0	12.8	98
The Common	53.2	17.2	32
Cargo South	0	0	0
Terminal zone	0.4	1.1	254
Cargo North	7.7	18.3	239
Other	87.5	11.4	13
Total*	342.0	180.2	53

*Total excludes land impacted by flight path constraints and other miscellaneous land parcels of lower development interest

Auckland Airport Business District

The Landing

	Quantum
Land available for development	120 ha approx
Absorption AKL Forecast pa (ave 5 years) - Warehouse (NLA)	232,679
Absorption Airport Mkt ¹ last 12 months	43,572
Rents (blend office/warehouse)	97.5
Prime Yields Airport Oaks (low)	8.25%
Prime Capital Values Airport Oaks \$m ²	1,116

- **Plan change operative**
- **4 New buildings complete or under construction**
- **Comprehensive development plan (CDP) underway**

1. Auckland Airport Market refers to Airport Oaks business district

Source CBRE: AKL Property Market Outlook : June 2011 & Dec 2010

Auckland Airport Business District

The Quad

	Quantum
Land available for development	10 ha approx
Non CBD Office forecast Akl Absorption (ave 5 years)	27,211
Absorption South Akl Mkt ¹ last 12 months	-7,807
Non CBD Grade A Rents (face high)	355
Non CBD Prime Yields (low)	7.50%
Prime Capital Values Grade A Non CBD \$m ²	2,941

- **Concept advanced**
- **3 New buildings under construction**
- **Travel Rich / Knowledge based**

1. South Auckland Market refers to Office precincts south and including Greenlane

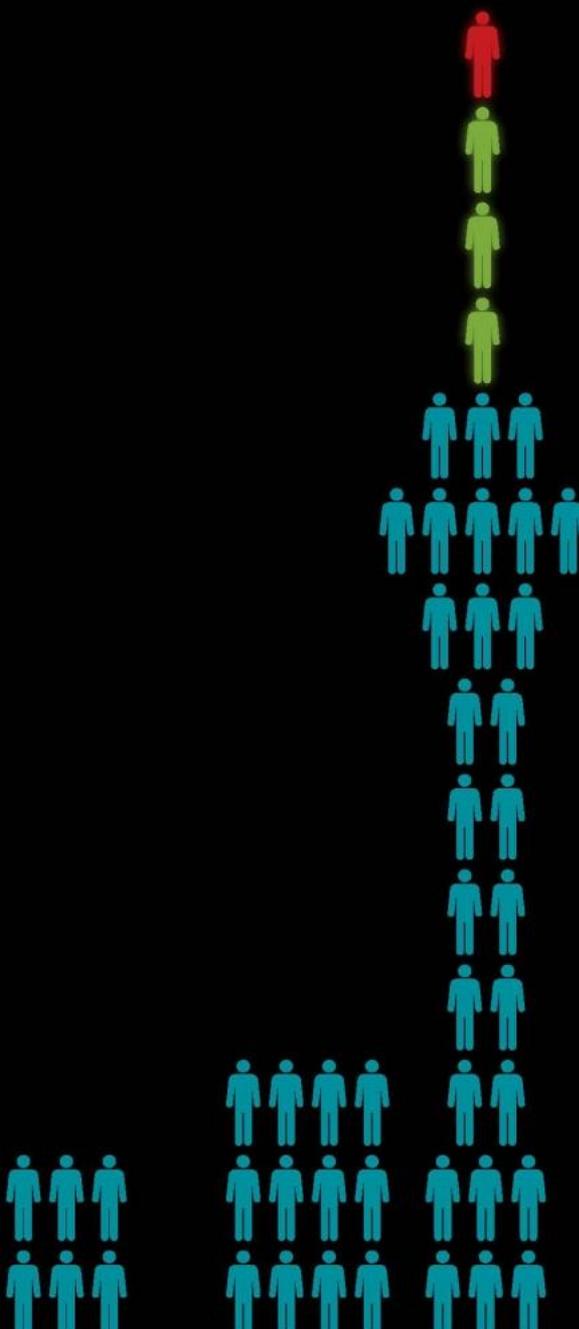
Source CBRE: AKL Property Market Outlook : June 2011 & Dec 2010

Auckland Airport Business District

Altitude

- **Strong fundamentals**
- **Convenience centre fully leased**
- **F1 success suggests latent demand**
- **Concept 'testing' modest expansion**

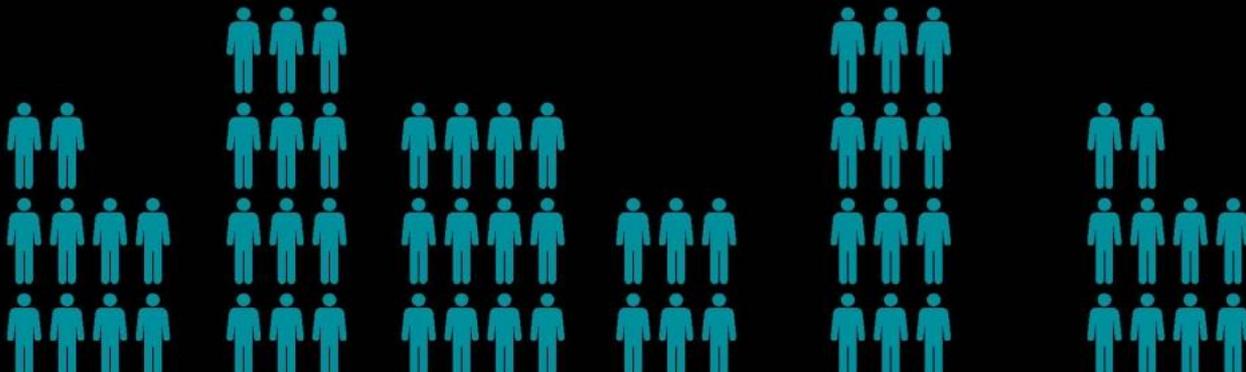




90%

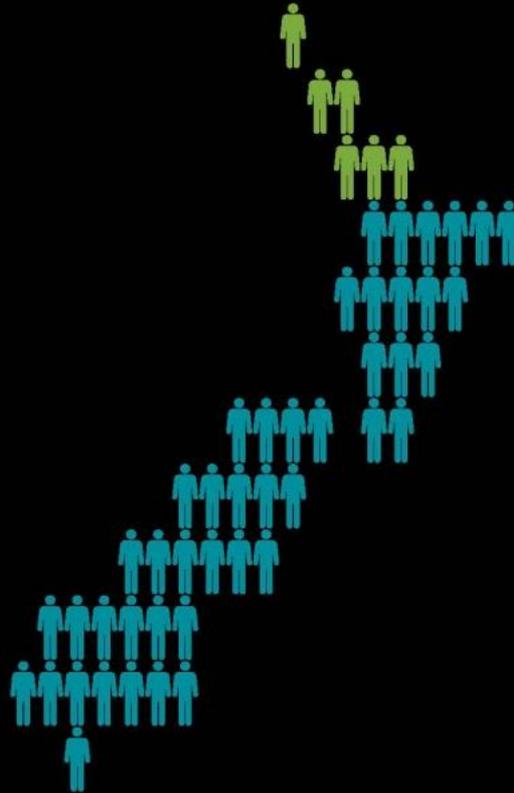
of Aucklanders surveyed have visited the airport at least once in the last 12 months*

*Feb 09–Feb 10 TNS Research





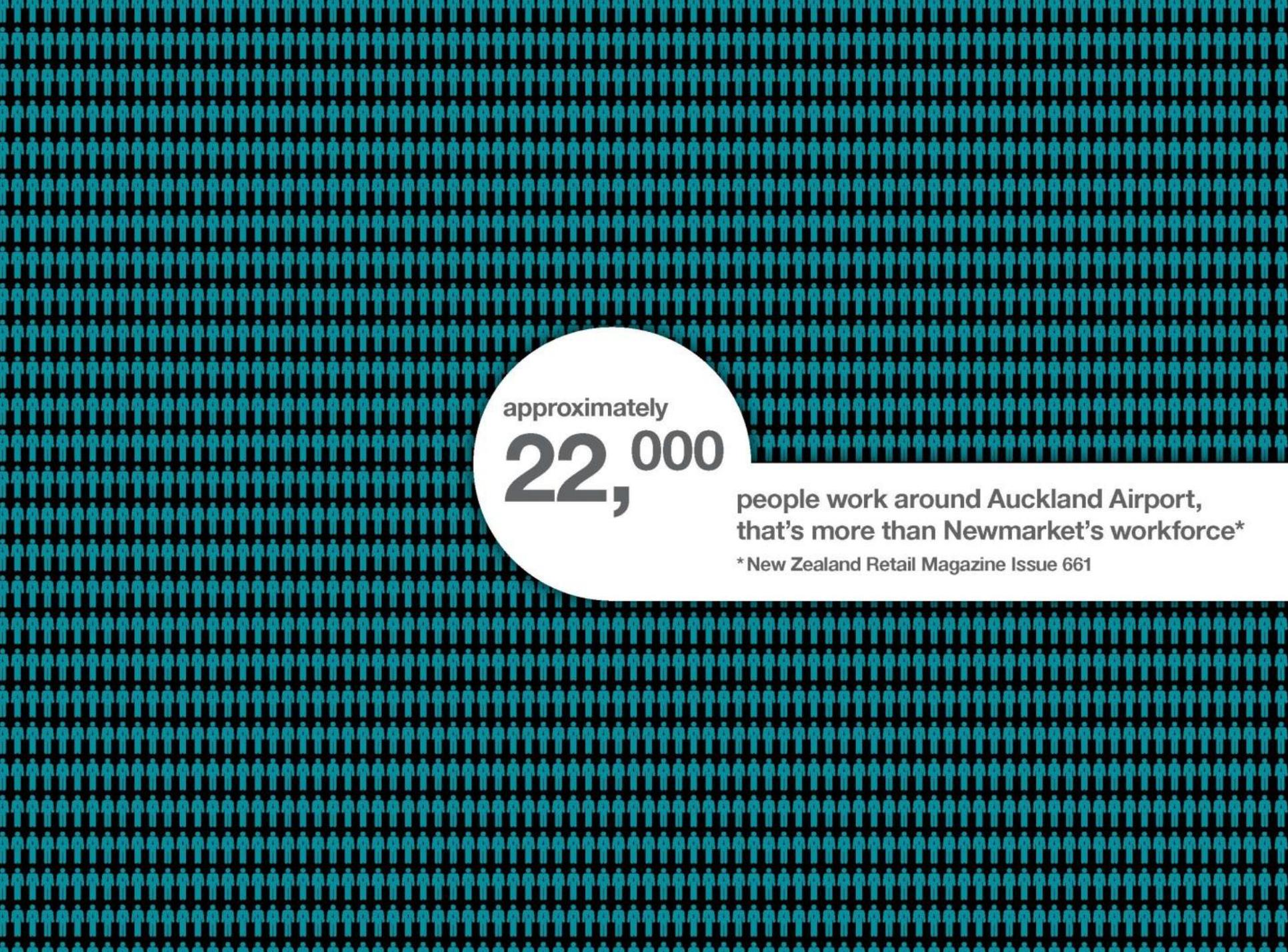
**Massive exposure with over 65,000
vehicles visiting the airport every day**



75%

of New Zealanders surveyed have visited the airport
at least once in the last 12 months*

*Feb 09–Feb 10 TNS Research



approximately

22,000

people work around Auckland Airport,
that's more than Newmarket's workforce*

*New Zealand Retail Magazine Issue 661



**18.5
million**

people spend time in Auckland Airport's terminals in the course of a year*

* Feb 09–Feb 10 TNS Research

2.1
million

people live within a three hour drive

1.4
million

people live within a one hour drive



The Fundamentals of
the Airport location
support a greater
opportunity in the
Altitude precinct

Auckland Airport Business District

Cargo – South and North

- Demand steady
- 4 Percival Gull leased
- Cargo Central
 - From 79% to 95% occupancy
 - Rent roll increased 32% in 12 months



Auckland Airport Business District

The Common

- **Amenity and Supportive Activity**
 - Employees
 - Tourism/Visitors
 - Conferences
- **Initiatives**
 - Abbeville Farm Estate
 - Campervan
 - Paintball
 - High-Ropes
 - Driving Range
 - Golf



Questions

